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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA - SAN FRANCISCO DIVISION

IN RE TFT-LCD (FLAT PANEL)
ANTITRUST LITIGATION

MASTER FILE No. 07-m-1827 SI
CASE No. 09-cv-4997 SI
MDL No. 1827

This Document Relates to
Case No. 09-cv-4997-SI

AT&T MOBILITY LLC; AT&T CORP.; AT&T
SERVICES, INC.; BELLSOUTH
TELECOMMUNICATIONS, INC.; PACIFIC
BELL TELEPHONE COMPANY; AT&T
OPERATIONS, INC.; AT&T DATACOMM,
INC.; SOUTHWESTERN BELL TELEPHONE
COMPANY,

Plaintiffs,

v.

AU OPTRONICS CORPORATION; AU
OPTRONICS CORPORATION AMERICA,
INC; CHI MEI CORPORATION; CHI MEI
OPTOELECTRONICS CORPORATION; CHI
MEI OPTOELECTRONICS USA, INC.; CMO
JAPAN CO. LTD.; NEXGEN MEDIATECH,
INC.; NEXGEN MEDIATECH USA, INC.;
CHUNGHWA PICTURE TUBES LTD.;
TATUNG COMPANY OF AMERICA, INC.;
EPSON IMAGING DEVICES
CORPORATION; EPSON ELECTRONICS
AMERICA, INC.; HANNSTAR DISPLAY
CORPORATION; LG DISPLAY CO. LTD.; LG
DISPLAY AMERICA, INC.; SAMSUNG
ELECTRONICS CO., LTD.; SAMSUNG
SEMICONDUCTOR, INC.; SAMSUNG
ELECTRONICS AMERICA, INC.; SHARP
CORPORATION; SHARP ELECTRONICS

**SECOND AMENDED
COMPLAINT FOR
DAMAGES AND INJUNCTIVE
RELIEF**

DEMAND FOR JURY TRIAL

CORPORATION; TOSHIBA CORPORATION;
TOSHIBA AMERICA ELECTRONICS
COMPONENTS, INC.; TOSHIBA MOBILE
DISPLAY TECHNOLOGY CO., LTD.;
TOSHIBA AMERICA INFORMATION
SYSTEMS, INC.,

Defendants.

Plaintiffs AT&T Mobility LLC (“AT&T Mobility”), AT&T Corp., AT&T Services, Inc.,
BellSouth Telecommunications, Inc., Pacific Bell Telephone Company, AT&T Operations, Inc.,
AT&T Datacomm, Inc., and Southwestern Bell Telephone Company (plaintiffs other than AT&T
Mobility are hereinafter referred to as “AT&T”) for their Complaint against all defendants
named herein, hereby allege as follows:

I. INTRODUCTION

1. AT&T Mobility sells mobile wireless handsets and wireless telecommunications
services to millions of customers throughout the United States. From 1996 to 2006 (“the
Conspiracy Period”), AT&T Mobility purchased billions of dollars worth of mobile wireless
handsets in the United States for resale to its customers. All of the mobile wireless handsets
AT&T purchased contained liquid crystal display panels (“LCD Panels”).

2. Since 2001, AT&T Mobility purchased mobile wireless handsets containing LCD
Panels in Memphis, Tennessee, where it maintained its central distribution center and received
mobile wireless handsets shipped to Tennessee by its vendors. Before 2001, AT&T Mobility
purchased mobile wireless handsets containing LCD Panels at regional distribution centers
located in Illinois and New York, where it received mobile wireless handsets shipped to those
states by its vendors.

3. From at least January 1, 1996 through at least December 11, 2006 (“the
Conspiracy Period”), through hundreds of in-person meetings, telephone calls, emails, and other
communications in the United States and abroad, defendants and their co-conspirators conspired
with the purpose and effect of fixing, raising, stabilizing, and maintaining prices for LCD Panels,
including LCD Panels included in mobile wireless handsets sold to AT&T Mobility. Because

1 the U.S. market for LCD Panels and products containing those panels has always been one of the
2 largest and most-profitable markets for defendants and their co-conspirators, defendants
3 purposely fixed prices to unlawfully maintain and increase their profits from sales to customers
4 in the U.S.

5 4. During the Conspiracy Period, LCD Panels used in hand-held devices such as
6 mobile wireless handsets included different technologies: thin film transistor panels (“TFT-LCD
7 Panels”) and super-twist nematic panels (“STN-LCD Panels”). STN-LCD Panels included both
8 color super-twist nematic (“CSTN-LCD Panels”) panels, and monochrome super-twist nematic
9 (“MSTN- LCD Panels”) panels. Defendants’ conspiracy involved both TFT-LCD Panels and
10 STN-LCD Panels. Defendants engaged in meetings, discussions and exchanges of competitive
11 price information regarding both TFT-LCD panels and STN-LCD Panels. REDACT

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13
14 5. AT&T Mobility, as one of the largest wireless telecommunications providers in
15 the U.S. and one of the most significant purchasers of mobile wireless handsets, helped increase
16 consumer demand in the U.S. for mobile wireless handsets during the Conspiracy Period and
17 thus demand for LCD panels manufactured by defendants. AT&T Mobility served as one of the
18 principal distribution channels for mobile wireless handsets for the U.S. market. Defendants
19 knew that AT&T Mobility was among the most important purchasers of mobile wireless
20 handsets containing the LCD Panels they manufactured, and that the LCD Panels they price
21 fixed would end up in mobile wireless handsets purchased by AT&T Mobility in the U.S.
22 Defendants analyzed the impact that increases in the number of AT&T Mobility subscribers
23 would have on defendants’ sales of LCD Panels for mobile wireless handsets that they knew
24 would be purchased by AT&T Mobility in the United States. Defendants were thus aware that
25 AT&T Mobility would be affected by their conspiracy to fix the price of LCD Panels, and would
26 suffer injury in the U.S. when it purchased handsets containing defendants’ LCD Panels.

27 6. Defendant Samsung Electronics Co. Ltd (“Samsung”) sold both mobile wireless
28 handsets and small LCD Panels used in mobile wireless handsets to customers in the United

1 States, including AT&T Mobility. LG Electronics, Inc., one of the two founders and the largest
2 owner of defendant LG Display, Inc., also sold mobile wireless handsets in the United States to
3 AT&T Mobility. Both Samsung and LG Electronics, Inc., through their corporate affiliates in
4 the United States, negotiated supply agreements with AT&T Mobility and quoted prices to
5 AT&T Mobility for mobile wireless handsets in the United States, with the knowledge that the
6 price of those handsets were artificially inflated as a result of defendants' conspiracy to fix the
7 price of LCD panels in those handsets.

8 7. At least seven LCD Panel manufacturers have admitted in criminal proceedings to
9 participating in this conspiracy and carrying out this conspiracy in the United States and
10 California: defendants LG Display Co. Ltd. (together with its wholly-owned subsidiary, LG
11 Display America, Inc.), Sharp Corporation, Chunghwa Picture Tubes, Ltd., Epson Imaging
12 Devices Corporation, Chi Mei Optoelectronics Corporation and HannStar Display Corporation.
13 On or about November 12, 2008, LG Display Co. Ltd., LG Display America, Inc., Sharp
14 Corporation and Chunghwa Picture Tubes, Ltd. agreed to plead guilty and pay a total of \$585
15 million in criminal fines for their roles in the conspiracy to fix the price of LCD Panels. On or
16 about August 25, 2009, Epson Imaging Devices Corporation agreed to plead guilty and pay a
17 \$26 million criminal fine for its role in the conspiracy to fix the price of LCD Panels. On or
18 about December 9, 2009, Chi Mei Optoelectronics Corporation agreed to plead guilty and pay a
19 \$220 million criminal fine for its role in the conspiracy. And on or about June 29, 2010,
20 HannStar Display Corporation agreed to plead guilty and pay a \$30 million criminal fine for its
21 role in the conspiracy.

22 8. Defendants engaged in conspiratorial conduct both within and outside the United
23 States. Defendants' conduct in the United States was centered in California. Defendants LG
24 Display Co. Ltd., LG Display America, Inc., Sharp Corporation, Chunghwa Picture Tubes, Ltd.,
25 and Epson Imaging Devices Corporation all admitted during their plea hearings that acts in
26 furtherance of the conspiracy were carried out within California. Each agreed that: "Acts in
27 furtherance of this conspiracy were carried out within the Northern District of California. TFT-
28 LCD affected by this conspiracy was sold by one or more of the conspirators to customers in this

District.” Case 3:08-cr-00803, Document 10-1 at 4; Case 3:08-cr-00802, Document 9-1 at 5; Case 3:08-cr-00804, Document 10-1 at 4; Case 3:09-cr-00854, Document 15-1 at 4. Defendant LG Display America, Inc., which admitted to participating in the conspiracy, maintains its principal place of business in San Jose, California. Similarly, defendants Chunghwa Picture Tubes, Ltd., Epson Imaging Devices Corporation, and Chi Mei Optoelectronics Corporation, which also admitted to participating in the conspiracy, used California corporations with principal places of business in Long Beach, California (defendants Tatung Company of America, Inc., Epson Electronics America, Inc., and Chi Mei Optoelectronics USA, Inc. respectively), as their sales agents in the United States for LCD Products containing LCD Panels which were affected by the conspiracy. Many of the other defendants also maintained offices and operations in California during the Conspiracy Period, including AU Optronics Corporation America, Inc., Nexgen Mediatech USA, Inc., Samsung Semiconductor, Inc., Toshiba America Electronic Components, Inc., and Toshiba America Information Systems, Inc.

9. Defendants engaged in and implemented their conspiracy in the U.S. through the offices they maintained in California. Defendants’ employees in their California offices engaged in communications and meetings with other defendants to exchange price and supply information and reach agreements regarding LCD Panel prices to be charged to their customers in the U.S. and elsewhere. Defendants’ employees in California also received information from their counterparts elsewhere regarding the substance of defendants’ agreements with respect to LCD Panel prices and supply, and were instructed to use this information in the course of price negotiations with customers in the United States. Defendants’ California offices were thus the means through which they implemented their conspiracy in the United States. Defendants, including Samsung, used their employees in their California offices to implement their price fixing agreements with respect to small LCD Panels used in mobile wireless handsets, including mobile wireless handsets purchased by AT&T Mobility.

10. As a result of defendants’ conspiracy to fix the price of LCD Panels, the prices of these handsets containing LCD Panels also were artificially inflated. Defendants’ conspiracy also artificially inflated the price of LCD Panels incorporated into the LCD Products AT&T

1 Mobility purchased for its own internal use during the Conspiracy Period, such as desktop
2 computer monitors and notebook computers, and therefore artificially inflated the price of such
3 LCD Products. AT&T Mobility thus suffered damages as a result of defendants' conspiracy, and
4 brings this action to recover the overcharges paid for the mobile wireless handsets and other
5 LCD Products it purchased during the Conspiracy Period.

6 11. AT&T is a provider of voice and data communications services, including
7 traditional local and long-distance voice services, internet access services, private enterprise
8 network services, and other telecommunications services. One of the AT&T companies which
9 was injured as a result of the conspiracy is Pacific Bell Telephone Company, a California
10 corporation, which has provided voice and data telecommunications services to the vast majority
11 of the people of California for nearly a century. During the Conspiracy Period, AT&T purchased
12 LCD Products, such as desktop computer monitors and notebook computers, for its own internal
13 use. Defendants' conspiracy raised the price of the LCD Panels incorporated into these LCD
14 Products and therefore artificially inflated the price of the LCD Products. AT&T thus suffered
15 damages as a result of defendants' conspiracy and brings this action to recover the overcharges
16 paid for LCD Products during the Conspiracy Period.

17 12. AT&T Mobility and AT&T bring this action seeking injunctive relief under
18 Section 16 of the Clayton Act, 15 U.S.C. § 26 for violations of Section 1 of the Sherman Act, 15
19 U.S.C. § 1, and to recover damages under Section 4 of the Clayton Act, California's Cartwright
20 Act, and other state laws identified herein, as well as to recover the costs of suit, including
21 reasonable attorneys fees, for the injuries that AT&T Mobility and AT&T suffered as a result of
22 defendants' conspiracy to fix, raise, maintain and stabilize the prices of LCD Panels.

23 **II. JURISDICTION AND VENUE**

24 13. AT&T Mobility brings this action under Section 1 of the Sherman Act, 15 U.S.C.
25 § 1, and Section 4 of the Clayton Act, 15 U.S.C. § 15, to recover treble damages for its direct
26 purchases of LCD Panels from certain defendants. In addition, AT&T Mobility and AT&T bring
27 this action under Section 1 of the Sherman Act, 15 U.S.C. § 1, and Section 16 of the Clayton
28 Act, 15 U.S.C. § 26, to obtain injunctive relief against all defendants.

14. AT&T Mobility and AT&T also bring this action pursuant to Section 47-25-101 *et seq.* of the Tennessee Code; Section 16750(a) of the California Business and Professions Code (the “Cartwright Act”); Section 44-1401 *et seq.* of the Arizona Revised Statutes; Section 28-4501 *et seq.* of the District of Columbia Code; the Illinois Antitrust Act, 740 Illinois Code 10/1 *et seq.*; Section 553.1 *et seq.* of the Iowa Code; Section 50-101 *et seq.* of the Kansas Statutes; Section 1101 *et seq.* of 10 Maine Rev. Stat.; Section 445.771 *et seq.* of the Michigan Compiled Laws; Section 325D.50 *et seq.* of the Minnesota Statutes; Section 75-21-1 *et seq.* of the Mississippi Code; Section 59-801 *et seq.* of the Nebraska Revised Statutes; Section 598A *et seq.* of the Nevada Revised Statutes; Section 57-1-1 *et seq.* of the New Mexico Statutes; Section 340 *et seq.* of the New York General Business Law; Section 75-1 *et seq.* of the North Carolina Gen. Stat.; Section 51-08.1-01 *et seq.* of the North Dakota Cent. Code; Section 37-1 *et seq.* of the South Dakota Codified Laws; Section 47-18-1 *et seq.* of the West Virginia Statutes; and Section 133.01 *et seq.* of the Wisconsin Statutes for injunctive relief and treble damages sustained by AT&T Mobility and AT&T as a result of their purchases of mobile wireless handsets, desktop monitors and notebook computers at artificially-inflated prices as a result of defendants’ conspiracy to fix the price of LCD-Panels. AT&T Mobility’s and AT&T’s claims also bring claims pursuant to Sections 17203 and 17204 of the California Business and Professions Code, to obtain restitution from and an injunction against defendants due to their violations of Section 17200 *et seq.* of the California Business and Professions Code (the “Unfair Competition Act”).

15. The Court has jurisdiction under 28 U.S.C. §§ 1331 and 1337 over AT&T Mobility’s and AT&T’s claims under Section 1 of the Sherman Act and Sections 4 and 16 of the Clayton Act. The Court has supplemental jurisdiction over AT&T Mobility’s and AT&T’s claims under the laws of Tennessee, California, Arizona, District of Columbia, Illinois, Iowa, Kansas, Maine, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, South Dakota, West Virginia, and Wisconsin. AT&T Mobility’s and AT&T’s state law claims are so related to their claims under Section 1 of the Sherman Act and Sections 4 and 16 of the Clayton Act that they form part of the same case or controversy.

1 16. The activities of defendants and their co-conspirators, as described herein,
2 involved U.S. import trade or commerce and/or were within the flow of, were intended to, and
3 did have a direct, substantial, and reasonably foreseeable effect on United States domestic and
4 import trade or commerce, as well as on commerce in Tennessee, California, Arizona, District of
5 Columbia, Illinois, Iowa, Kansas, Maine, Michigan, Minnesota, Mississippi, Nebraska, Nevada,
6 New Mexico, New York, North Carolina, North Dakota, South Dakota, West Virginia, and
7 Wisconsin. This effect gives rise to AT&T Mobility's and AT&T's antitrust claims. During the
8 Conspiracy Period, defendants' conspiracy affected the price of LCD Panels and LCD Products
9 AT&T Mobility and AT&T purchased in the United States. These LCD Products moved
10 through, were sold in, or used in California and in each of the other states identified herein.

11 17. This court has jurisdiction over each defendant named in this action under both
12 Section 12 of the Clayton Act, 15 U.S.C. § 22 and Cal. Civ. Code § 410.10. Each defendant
13 conducts substantial business in the state of California, and a number of defendants maintain
14 their headquarters in this District or elsewhere in California. In addition, defendants all
15 purposefully availed themselves of the laws of the United States and California insofar as they
16 manufactured LCD Panels and LCD Products for sale in the United States and California and
17 several defendants have admitted that they engaged in conduct in furtherance of the conspiracy
18 in the Northern District of California.

19 18. Venue is proper in this District under Section 12 of the Clayton Act, 15 U.S.C.
20 §22 and 28 U.S.C. § 1391 because each defendant is either an alien corporation, transacts
21 business in this District, or is otherwise found within this District. In addition, venue is proper in
22 this District under 28 U.S. § 1391 because a substantial part of the events or admissions giving
23 rise to this claim occurred in this district.

24 19. Because AT&T Mobility's and AT&T's action is related to the *In re TFT-LCD*
25 *Antitrust Litigation* action, Case No. M:07-cv-1827 SI, the action will be assigned to the San
26 Francisco division, Judge Susan Illston presiding. This action concerns substantially the same
27 parties, transactions and events as Case No. M:07-cv-1827 SI insofar as it involves a suit for
28 damages and injunctive relief arising out of defendants' conspiracy to fix the price of liquid

crystal display ("LCD") panels in violation of the Sherman Act and the laws of California and other states. Pursuant to Pretrial Order #1 in M:07-cv-1827 SI, this case is automatically consolidated with M:07-cv-1827 SI for all pretrial proceedings without any further motion or order.

III. DEFINITIONS

20. Liquid crystal display panels use glass plates and a liquid crystal compound to electronically display an image. The technology involves sandwiching a liquid crystal compound between two glass plates called "substrates." The resulting screen contains hundreds or thousands of electrically charged dots, or pixels, that form an image. As used herein, "LCD Panel" refers to both liquid crystal display panels and modules consisting of liquid crystal display panels combined with a backlight unit, a driver, and other equipment that allow the panel to operate and be integrated into a mobile wireless handset, television, computer monitor, or other product.

21. During the Conspiracy Period, LCD Panels used in hand-held devices included three different technologies: thin film transistor panels ("TFT-LCD Panels"), color super-twist nematic (CSTN) panels, and monochrome super-twist nematic (MSTN) panels (collectively, "STN-LCD Panels"). The price-fixing conspiracy alleged herein had the effect of raising, fixing, maintaining and/or stabilizing the prices of LCD Panels using TFT, CSTN, and MSTN technology in LCD Products, including mobile wireless handsets and two-way radios.

22. As used herein, the term "LCD Products" means any product containing an LCD Panel, including, without limitation, mobile wireless handsets (including voice, data, and combination voice and data devices), computer monitors, notebook and laptop computers, and televisions ("TVs").

23. As used herein, the term "OEM" means any original equipment manufacturer of an LCD Product.

24. As used herein, the term "Conspiracy Period" refers to the time period beginning January 1, 1996 and continuing at least until December 11, 2006.

1 **IV. THE PARTIES**

2 **A. Plaintiffs**

3 **1. AT&T Mobility**

4 25. AT&T Mobility is a Delaware limited liability company with its principal place of
5 business at 1025 Lenox Park Boulevard in Atlanta, Georgia. AT&T Mobility is a wholly-owned
6 subsidiary of AT&T Inc. AT&T Mobility is one of the largest national providers of mobile
7 wireless telecommunications services in the United States, with over 78 million subscribers and a
8 wireless network providing nationwide wireless coverage. Before 2007, AT&T Mobility was
9 named Cingular Wireless LLC (“Cingular”). During the Conspiracy Period, AT&T Mobility
10 purchased mobile wireless handsets and other LCD Products containing LCD Panels
11 manufactured and sold by defendants, their co-conspirators, and others. As a result of
12 defendants’ conspiracy, AT&T Mobility, has been injured in its business and property because
13 the prices it paid for such LCD Products were artificially inflated by defendants’ conspiracy.

14 26. During and after the Conspiracy Period, AT&T Mobility acquired or received the
15 stock of companies that also purchased mobile wireless handsets and other LCD Products
16 containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others.
17 As a result of defendants’ conspiracy, these companies were injured in their business and
18 property because the prices they paid for mobile wireless handsets and other LCD Products were
19 artificially inflated by defendants’ conspiracy. By acquiring or receiving a contribution of the
20 stock of companies that purchased mobile wireless handsets and other LCD Products containing
21 LCD Panels, AT&T Mobility obtained all claims and rights under federal and state laws to
22 recover any overcharges suffered by those companies. As used herein, “AT&T Mobility” refers
23 to AT&T Mobility LLC, f/k/a Cingular Wireless LLC, as well as any company that purchased
24 mobile wireless handsets during the Conspiracy Period whose stock was later acquired or
25 obtained by AT&T Mobility LLC.

26 **2. AT&T**

27 27. AT&T Inc. is a holding company organized under the laws of Delaware and
28 having its principal place of business in Dallas, Texas. AT&T Inc. is the parent corporation of

the following subsidiaries and affiliates: AT&T Corp., a corporation organized under the laws of New York and having its principal place of business in Bedminster, New Jersey; AT&T Services, Inc., f/k/a SBC Services, Inc., a corporation organized under the laws of Delaware and having its principal place of business in Dallas, Texas; BellSouth Telecommunications, Inc., a corporation organized under the laws of Georgia and having its principal place of business in Atlanta, Georgia; Pacific Bell Telephone Company, a corporation organized under the laws of California and having its principal place of business in San Francisco, California; AT&T Operations, Inc., f/k/a SBC Operations, Inc., a corporation organized under the laws of Delaware and having its principal place of business in San Antonio, Texas; AT&T DataComm, Inc. f/k/a SBC DataComm, Inc., a corporation organized under the laws of Delaware and having its principal place of business in Chicago, Illinois; and Southwestern Bell Telephone Company, a corporation organized under the laws of Missouri and having its principal place of business in Dallas, Texas. These entities are collectively referred to as “AT&T.”

28. During the Conspiracy Period, each of the entities described in the preceding paragraph purchased LCD Products, including desktop computer monitors and notebook computers, that contained LCD Panels affected by defendants’ price fixing conspiracy.

29. During the Conspiracy Period, BellSouth Affiliates Services Corp., a corporation organized under the laws of Georgia, BellSouth Technology Group, Inc., a corporation organized under the laws of Georgia, and BellSouth Technology Services, Inc., a corporation organized under the laws of Georgia, purchased LCD Products that contained LCD Panels affected by defendants’ conspiracy. Since the end of the Conspiracy Period, plaintiff AT&T Services, Inc. has acquired all rights of each of these entities, including all rights under federal and state antitrust laws, to recover overcharges arising from purchases of LCD Products that contained LCD Panels affected by defendants’ conspiracy. Also during the Conspiracy Period, Southwestern Bell Telephone L.P., a limited partnership organized under the laws of Texas, purchased LCD Products that contained LCD Panels affected by defendants’ conspiracy. Since the end of the Conspiracy Period, plaintiff Southwestern Bell Telephone Company has acquired all rights of Southwestern Bell Telephone L.P., including all rights under federal and state

1 antitrust laws to recover overcharges arising from the purchases of LCD Products that contained
2 LCD Panels affected by defendants' conspiracy.

3 30. Throughout the Conspiracy Period, AT&T conducted a substantial amount of
4 business in California. Plaintiff Pacific Bell Telephone Company provided local exchange
5 telecommunications services throughout California and maintained its headquarters in San
6 Francisco for nearly 100 years. In addition, AT&T provided various wireline
7 telecommunications services to consumers, businesses and government customers in many of the
8 other states listed herein, where AT&T employees used notebook computers and desktop
9 monitors purchased by AT&T.

10 **B. Defendants**

11 **1. AU Optronics**

12 31. Defendant AU Optronics Corporation is one of the world's largest manufacturers
13 of LCD Panels, with its corporate headquarters at No. 1, Li-Hsin Rd. 2, Hsinchu Science Park,
14 Hsinchu 30078, Taiwan. During the Conspiracy Period, said defendant manufactured, marketed,
15 sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

16 32. Defendant AU Optronics Corporation America, Inc. is a wholly-owned and
17 controlled subsidiary of defendant AU Optronics Corporation, with its corporate headquarters at
18 9720 Cypresswood Drive, Suite 241, Houston, Texas and facilities located in San Diego and
19 Cupertino, California. During the Conspiracy Period, said defendant manufactured, marketed,
20 sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

21 33. Defendants AU Optronics Corporation and AU Optronics Corporation America,
22 Inc. are referred to collectively herein as "AU Optronics." The AU Optronics companies were
23 members of the conspiracy that is the subject of this Complaint by virtue of their participation in
24 the conspiracy through the actions of their respective officers, employees, and representatives
25 acting with actual or apparent authority. Alternatively, defendant AU Optronics Corporation
26 America, Inc. was a member of the conspiracy by virtue of its status during the Conspiracy
27 Period as the alter ego or agent of AU Optronics Corporation. AU Optronics Corporation
28

dominated or controlled AU Optronics Corporation America, Inc. regarding conspiracy activities and used that domination or control to charge artificially high prices for LCD Panels.

2. Chi Mei

34. Defendant Chi Mei Corporation is another of the world's largest manufacturers of LCD Panels, with its corporate headquarters at No. 11-2, Jen Te 4th St., Jen Te Village, Jen Te, Tainan 717, Taiwan. During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

35. Defendant Chi Mei Optoelectronics Corporation is another of the largest manufacturers of LCD Panels and a wholly-owned subsidiary of Chi Mei Corporation, with its global headquarters at No. 3, Sec. 1, Huanshi Rd., Southern Taiwan Science Park, Sinshih Township, Tainan County, 74147 Taiwan. During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

36. Defendant Chi Mei Optoelectronics USA, Inc., f/k/a International Display Technology USA, Inc. is a wholly-owned and controlled subsidiary of Chi Mei Corporation, with its corporate headquarters at 101 Metro Drive Suite 510, San Jose, California. During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

37. Defendant CMO Japan Co., Ltd., f/k/a International Display Technology, Ltd. is a subsidiary of Chi Mei Corporation, with its principal place of business located at Nansei Yaesu Bldg. 3F, 2-2-10 Yaesu, Chuo-Ku, Tokyo 104-0028, Japan. During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

38. Defendant Nexgen Mediatech, Inc. ("Nexgen") is a wholly-owned and controlled subsidiary of Chi Mei Corporation with its principal place of business at No. 11-2, Jen Te 4th St., Jen Te Village Jen Te, Tainan 717 Taiwan. During the Conspiracy Period, said defendant marketed, sold and/or distributed LCD Products manufactured by Chi Mei Optoelectronics Corporation in the United States.

1 39. Defendant Nexgen Mediatech USA, Inc. (“Nexgen USA”) is a wholly-owned and
2 controlled subsidiary of Chi Mei Corporation with its principal place of business at 16712 East
3 Johnson Drive, City of Industry, California. During the Conspiracy Period, said defendant
4 marketed, sold and/or distributed LCD Products manufactured by Chi Mei Optoelectronics
5 Corporation in the United States.

6 40. Defendants Chi Mei Corporation, Chi Mei Optoelectronics Corporation, Chi Mei
7 Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen, and Nexgen USA are referred to
8 collectively herein as “Chi Mei.” The Chi Mei companies were members of the conspiracy that
9 is the subject of this Complaint by virtue of their participation in the conspiracy through the
10 actions of their respective officers, employees, and representatives acting with actual or apparent
11 authority. Alternatively, defendants Chi Mei Optoelectronics Corporation, Chi Mei
12 Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen, and Nexgen USA were members of
13 the conspiracy by virtue of their status during the Conspiracy Period as the alter egos or agents of
14 Chi Mei Corporation. Chi Mei Corporation dominated or controlled Chi Mei Optoelectronics
15 Corporation, Chi Mei Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen, and Nexgen
16 USA regarding conspiracy activities and used that domination or control to charge artificially
17 high prices for LCD Panels.

18 **3. Epson**

19 41. Defendant Epson Imaging Devices Corporation (“Epson Japan”) has its
20 principal place of business at 4F Annex, World Trade Center Building, 2-4-1
21 Hamamatsu-cho, Minato-ku, Tokyo 105-6104 Japan. The company was originally
22 formed as a joint venture between Seiko Epson Corporation and Sanyo Electric Co., Ltd.
23 but is now a wholly-owned subsidiary of Seiko Epson Corporation. Up until December
24 28, 2006, Epson Japan was known as Sanyo Epson Imaging Devices Corporation.
25 During the Conspiracy Period, Epson Japan manufactured, marketed, sold and/or
26 distributed LCD Panels and/or LCD Products throughout the United States and
27 elsewhere.
28

42. Defendant Epson Electronics America, Inc. (“Epson America”) is a wholly-owned and controlled subsidiary of Seiko Epson Corporation. Its principal place of business is at 2580 Orchard Parkway, San Jose, California. During the Conspiracy Period, Epson America sold and distributed LCD Products containing LCD Panels manufactured by Epson Japan to customers in the United States.

43. Defendants Epson Japan and Epson America are referred to collectively herein as “Epson.” The Epson companies were members of the conspiracy that is the subject of this Complaint by virtue of their participation in the conspiracy through the actions of their respective officers, employees, and representatives acting with actual or apparent authority. Alternatively, defendant Epson America was a member of the conspiracy by virtue of its status during the Conspiracy Period as the alter ego or agent of Epson Japan. Epson Japan dominated or controlled Epson America regarding conspiracy activities and used that domination or control to charge artificially high prices for LCD Panels and LCD Products.

4. Chunghwa

44. Defendant Chunghwa Picture Tubes Ltd. (“Chunghwa”) is a leading manufacturer of LCD Panels, with its global headquarters at 1127 Hopin Rd., Padeh City, Taoyuan, Taiwan. Chunghwa is a subsidiary of Tatung Company, a consolidated consumer electronics and information technology company based in Taiwan. Chunghwa’s Board of Directors includes representatives from Tatung Company. The Chairman of Chunghwa, Weishan Lin, is also the Chairman and General Manager of the Tatung Company. During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD Products sold in the United States.

45. Defendant Tatung Company of America, Inc. (“Tatung America”) is a California corporation with its principal place of business at 2850 El Presidio Street, Long Beach, California. Tatung America is a subsidiary of Tatung Company. Currently, Tatung Company owns approximately half of Tatung America. The other half is owned by Lun Kuan Lin, the daughter of Tatung Company’s former Chairman, T.S. Lin. During the Conspiracy Period,

1 Tatung America sold and distributed LCD Products manufactured by Chunghwa Picture Tubes,
2 Ltd. to customers throughout the United States.

3 46. Defendants Chunghwa and Tatung America are referred to collectively herein as
4 “Chunghwa.” During the Conspiracy Period, Chunghwa and Tatung were closely affiliated,
5 commonly owned, controlled and dominated by Tatung Corporation, and functioned as a single
6 enterprise and/or alter egos.

7 **4. HannStar**

8 47. Defendant HannStar Display Corporation (“HannStar”) is a Taiwanese company
9 with its headquarters at No. 480, Rueiguang Road, 12th Floor, Neihu Chiu, Taipei 114, Taiwan.
10 During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed
11 LCD Panels incorporated into LCD Products sold in the United States.

12 **5. LG Display**

13 48. Defendant LG Display Co., Ltd., f/k/a LG Philips LCD Co., Ltd. is a leading
14 manufacturer of LCD Panels and is a joint venture created in 1999 by defendants Royal Philips
15 Electronics NV and LG Electronics, Inc.. LG Display Co., Ltd. maintains offices within this
16 District in San Jose, California and has its principal place of business located at 20 Yoido-dong,
17 Youngdungpo-gu, Seoul, 150-72 1, Republic of Korea. During the Conspiracy Period, said
18 defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD
19 Products sold in the United States.

20 49. Defendant LG Display America, Inc. f/k/a/ LG Philips LCD America, Inc. is
21 located at 150 East Brokaw Rd., San Jose, CA 95112. During the Conspiracy Period, said
22 defendant manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD
23 Products sold in the United States.

24 50. Defendants LG Display Co., Ltd. and LG Display America, Inc. are referred to
25 collectively herein as “LG Display.” Defendants LG Display Co., Ltd. and LG Display America,
26 Inc. were members of the conspiracy that is the subject of this Complaint by virtue of the actions
27 of their respective officers, employees, and representatives acting with actual or apparent
28 authority. Alternatively, defendant LG Display America, Inc. was a member of the conspiracy

1 by virtue of its status during the Conspiracy Period as the alter ego or agent of LG Display Co.,
2 Ltd. LG Display Co., Ltd. dominated or controlled LG Display America, Inc. regarding
3 conspiracy activities and used that domination or control to charge artificially high prices for
4 LCD Panels.

5 **6. Samsung**

6 51. Defendant Samsung Electronics Co., Ltd. is located at Samsung Main Building,
7 250-2 ga, Taepyung-ro Chung-gu, Seoul, Republic of Korea. During the Conspiracy Period, said
8 defendant manufactured, marketed, sold and/or distributed LCD Panels and LCD Products sold
9 in the United States.

10 52. Defendant Samsung Electronics America, Inc. is a wholly-owned and controlled
11 subsidiary of defendant Samsung Electronics Company, Ltd with its principal place of business
12 at 105 Challenger Road, Ridgefield Park, New Jersey. During the Conspiracy Period, said
13 defendant manufactured, marketed, sold and/or distributed LCD Panels and LCD Products sold
14 in the United States.

15 53. Defendant Samsung Semiconductor, Inc. is a wholly-owned and controlled
16 subsidiary of Samsung Electronics Co., Ltd., with its principal place of business at 3655 North
17 First Street, San Jose, California 95134. During the Conspiracy Period, said defendant
18 manufactured, marketed, sold and/or distributed LCD Panels incorporated into LCD Products
19 sold in the United States.

20 54. Defendants Samsung Electronics Co., Ltd., Samsung Electronics America, Inc.,
21 and Samsung Semiconductor, Inc. are referred to collectively herein as “Samsung.” Defendants
22 Samsung Electronics Co., Ltd., Samsung Electronics America, Inc. and Samsung
23 Semiconductor, Inc. were members of the conspiracy that is the subject of this Complaint by
24 virtue of the actions of their respective officers, employees, and representatives acting with
25 actual or apparent authority. Alternatively, defendants Samsung Electronics America, Inc. and
26 Samsung Semiconductor, Inc. were members of the conspiracy by virtue of their status during
27 the Conspiracy Period as the alter egos or agents of Samsung Electronics Co., Ltd. Samsung
28 Electronics Co., Ltd. dominated or controlled Samsung Electronics America, Inc. and Samsung

1 Semiconductor, Inc. regarding conspiracy activities and used that domination or control to
2 charge artificially high prices for LCD Panels.

3 **7. Sharp**

4 55. Defendant Sharp Corporation, is located at 22-22 Nagaike-cho, Abeno-ku, Osaka
5 545-8522, Japan. During the Conspiracy Period, said defendant manufactured, marketed, sold
6 and/or distributed LCD Panels and LCD Products sold in the United States.

7 56. Defendant Sharp Electronics Corporation is a wholly-owned and controlled
8 subsidiary of Sharp Corporation with its principal place of business at Sharp Plaza, Mahwah,
9 New Jersey, 07430. During the Conspiracy Period, said defendant manufactured, marketed, sold
10 and/or distributed LCD Panels and LCD Products sold in the United States.

11 57. Defendants Sharp Corporation and Sharp Electronics Corporation are referred to
12 collectively herein as "Sharp." Defendants Sharp Corporation and Sharp Electronics
13 Corporation were members of the conspiracy that is the subject of this Complaint by virtue of the
14 actions of their respective officers, employees, and representatives acting with actual or apparent
15 authority. Alternatively, defendant Sharp Electronics Corporation was a member of the
16 conspiracy by virtue of its status during the Conspiracy Period as the alter ego or agent of Sharp
17 Corporation. Sharp Corporation dominated or controlled Sharp Electronics Corporation
18 regarding conspiracy activities and used that domination or control to charge artificially high
19 prices for LCD Panels.

20 **8. Toshiba**

21 58. Defendant Toshiba Corporation is located at 1-1, Shibaura 1-chome, Minato-ku,
22 Tokyo, 105-8001, Japan. During the Conspiracy Period, said defendant manufactured, marketed,
23 sold and/or distributed LCD Panels and LCD Products sold in the United States.

24 59. Defendant Toshiba Mobile Display Co., Ltd., f/k/a Toshiba Matsushita Display
25 Technology Co., Ltd. is located at Rivage Shinagawa, 1-8, Konan 4-chome, Minato-ku, Tokyo,
26 108-0075, Japan. During the Conspiracy Period, said defendant manufactured, marketed, sold
27 and/or distributed LCD Panels and LCD Products sold in the United States.

60. Toshiba America Electronic Components, Inc. is a wholly-owned and controlled subsidiary of defendant Toshiba Corporation with its corporate headquarters at 19900 MacArthur Blvd., Ste. 400, Irvine, CA 92612. During the Conspiracy Period, said defendant manufactured, marketed, sold and/or distributed LCD Panels and LCD Products sold in the United States.

61. Defendant Toshiba America Information Systems, Inc. is a wholly-owned and controlled subsidiary of Toshiba America, Inc. with its principal place of business at 9470 Irvine Boulevard, Irvine, California. During the Conspiracy Period, Toshiba America Information Systems, Inc. manufactured, marketed, sold and/or distributed LCD Products in the United States.

62. Defendants Toshiba Corporation, Toshiba Mobile Display Co., Ltd., Toshiba America Electronic Components, Inc. and Toshiba America Information Systems, Inc. are referred to collectively herein as “Toshiba.” Defendants Toshiba Corporation, Toshiba Matsushita Display Technology Co., Ltd., Toshiba America Electronic Components, Inc. and Toshiba America Information Systems, Inc. were members of the conspiracy that is the subject of this Complaint by virtue of the actions of their respective officers, employees, and representatives acting with actual or apparent authority. Alternatively, defendants Toshiba Matsushita Display Technology Co., Ltd., Toshiba America Electronic Components, Inc. and Toshiba America Information Systems, Inc. were members of the conspiracy by virtue of their status during the Conspiracy Period as the alter egos or agents of Toshiba Corporation. Toshiba Corporation dominated or controlled Toshiba Matsushita Display Technology Co., Ltd., Toshiba America Electronic Components, Inc. and Toshiba America Information Systems, Inc. regarding conspiracy activities and used that domination or control to charge artificially high prices for LCD Panels.

C. Co-Conspirators

63. The actions in this Complaint were authorized, ordered, or done by defendants’ respective officers, agents, employees, or representatives while actively engaged in the management of each defendant’s business or affairs.

64. Each defendant acted as the agent or joint venturer of or for the other defendants with respect to the acts, violations and common course of conduct alleged herein. Each defendant that is a subsidiary of a foreign parent acts as the United States agent for LCD Panels and/or LCD Products made by its parent company.

65. Various persons and entities participated as co-conspirators in the violations alleged herein and performed acts and made statements in furtherance thereof. These co-conspirators are believed to include, without limitation, LG Electronics, Inc., LG Electronics USA, Inc., Hydis Technologies Co., Ltd., NEC LCD Technologies, Ltd., Royal Philips Electronics N.V., Philips Electronics North America Corp., Ltd., IPS Alpha Technology, Ltd., Mitsui & Co., Ltd., Mitsubishi Electric Corporation, Panasonic Corporation, and Panasonic Corporation of North America.

66. The acts charged in this Complaint have been done by defendants and their co-conspirators, or were authorized, ordered, or done by their respective officers, agents, employees, or representatives while actively engaged in the management of each defendant's business or affairs.

67. Each defendant named herein acted as the agent or joint venturer of or for the other defendants with respect to the acts, violations and common course of conduct alleged herein. Each defendant that is a subsidiary of a foreign parent acts as the United States agent for LCD Panels made by its parent company.

V. AT&T's PURCHASES OF LCD PANELS AND LCD PRODUCTS

68. During the Conspiracy Period, AT&T Mobility purchased billions of dollars of mobile wireless handsets that contained LCD panels manufactured by defendants. Defendants' conspiracy artificially inflated the prices of the LCD panels contained in these mobile wireless handsets. AT&T Mobility suffered injury caused by the conspiracy when it purchased mobile wireless handsets from defendants, their affiliates and other manufacturers of mobile wireless handsets.

69. Beginning in 2001, AT&T Mobility purchased mobile wireless handsets, which contained LCD Panels manufactured by defendants and sold at artificially-inflated prices

1 because of defendants' price fixing conspiracy, in Memphis, Tennessee, where it received
2 mobile wireless handsets shipped to its Memphis, Tennessee central distribution center by its
3 handset vendors. Under AT&T Mobility's contracts with its handset vendors, AT&T Mobility
4 did not acquire title to the mobile wireless handsets ordered by AT&T Mobility until it received
5 and accepted shipments of those handsets at its Memphis, Tennessee central distribution center.
6 From this central distribution center, AT&T Mobility shipped mobile wireless handsets to its
7 company-owned retail stores, authorized sales agents, and national retail chains. It also shipped
8 mobile wireless handsets direct to the consumer from its distribution center through online and
9 mail-order sales

10 70. Before 2001, AT&T Mobility purchased mobile wireless handsets, which
11 contained LCD Panels manufactured by defendants and sold at artificially-inflated prices
12 because of defendants' price fixing conspiracy, at regional distribution centers in Illinois and
13 New York, where it received mobile wireless handsets shipped to those distribution centers by its
14 handset vendors. AT&T Mobility shipped mobile wireless handsets from these regional
15 distribution centers to its company-owned retail stores, authorized sales agents, and national
16 retail chains, as well as directly to consumers.

17 71. Throughout the Conspiracy Period, AT&T Mobility maintained in each of the
18 states where it operated company-owned retail stores and sold to authorized sales agents,
19 including in Tennessee, California, Arizona, District of Columbia, Illinois, Iowa, Kansas, Maine,
20 Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Mexico, New York, North Carolina,
21 North Dakota, South Dakota, West Virginia, and Wisconsin inventories of mobile wireless
22 handsets that it purchased and received from the handset vendors at its distribution centers.
23 During the Conspiracy Period, AT&T Mobility's policy was to maintain mobile wireless
24 handsets amounting to at least 17 days worth of sales in each retail location.

25 72. During the Conspiracy Period, AT&T Mobility also purchased LCD Products,
26 including notebook computers and desktop monitors containing LCD Panels manufactured by
27 defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
28 During the Conspiracy Period, AT&T Mobility purchased LCD Products at its offices and

1 facilities in Tennessee, California, Arizona, District of Columbia, Illinois, Iowa, Kansas, Maine,
2 Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Mexico, New York, North Carolina,
3 North Dakota, South Dakota, West Virginia, and Wisconsin, where it received LCD Products
4 shipped and/or delivered by its vendors.

5 73. During the Conspiracy Period, Plaintiff AT&T Corp. purchased LCD Products,
6 including notebook computers and desktop monitors containing LCD Panels manufactured by
7 defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
8 During the Conspiracy Period, AT&T Corp. purchased LCD Products at its offices and facilities
9 in Arizona, California, District of Columbia, Illinois, Kansas, New Mexico, New York, North
10 Carolina, and Tennessee, where it received LCD Products shipped and/or delivered by its
11 vendors.

12 74. During the Conspiracy Period, Plaintiff AT&T Services, Inc. purchased LCD
13 Products, including notebook computers and desktop monitors containing LCD Panels
14 manufactured by defendants and sold at artificially-inflated prices because of defendants' price
15 fixing conspiracy. During the Conspiracy Period, AT&T Services, Inc. purchased LCD Products
16 in California, Illinois, Kansas, Michigan, Nevada and Wisconsin, where AT&T Services, Inc.
17 and its affiliates received LCD Products shipped and/or delivered at their offices and facilities in
18 those states.

19 75. During the Conspiracy Period, Plaintiff BellSouth Telecommunications, Inc.
20 purchased LCD Products, including notebook computers and desktop containing LCD Panels
21 manufactured by defendants and sold at artificially-inflated prices because of defendants' price
22 fixing conspiracy. During the Conspiracy Period, BellSouth Telecommunications, Inc.
23 purchased LCD Products at its offices and facilities in Mississippi, North Carolina and
24 Tennessee, where it received LCD Products shipped and/or delivered by its vendors.

25 76. During the Conspiracy Period, Plaintiff Pacific Bell Telephone Company
26 purchased LCD Products, including notebook computers and desktop monitors containing LCD
27 Panels manufactured by defendants and sold at artificially-inflated prices because of defendants'
28 price fixing conspiracy. During the Conspiracy Period, Pacific Bell Telephone Company

1 purchased LCD Products at its offices and facilities in California and Nevada, where it received
2 LCD Products shipped and/or delivered by its vendors.

3 77. During the Conspiracy Period, Plaintiff AT&T Operations, Inc. purchased LCD
4 Products, including notebook computers and desktop monitors containing LCD Panels
5 manufactured by defendants and sold at artificially-inflated prices because of defendants' price
6 fixing conspiracy. During the Conspiracy Period, AT&T Operations, Inc. purchased LCD
7 Products in California, Illinois, Kansas, Michigan, Nevada and Wisconsin, where AT&T
8 Operations, Inc. and its affiliates received LCD Products shipped and/or delivered by its vendors
9 at their offices and facilities in those states.

10 78. During the Conspiracy Period, Plaintiff AT&T DataComm, Inc. purchased LCD
11 Products, including notebook computers and desktop monitors containing LCD Panels
12 manufactured by defendants and sold at artificially-inflated prices because of defendants' price
13 fixing conspiracy. During the Conspiracy Period, AT&T DataComm, Inc. purchased LCD
14 Products in California, Illinois, Kansas, Michigan, Nevada and Wisconsin, where AT&T
15 DataComm, Inc. received LCD Products shipped and/or delivered by its vendors at its offices
16 and facilities in those states.

17 79. During the Conspiracy Period, Plaintiff Southwestern Bell Telephone Company
18 purchased LCD Products, including notebook computers and desktop monitors containing LCD
19 Panels manufactured by defendants and sold at artificially-inflated prices because of defendants'
20 price fixing conspiracy. During the Conspiracy Period, Southwestern Bell Telephone Company
21 purchased LCD Products at its offices and facilities in Kansas, where it received LCD Products
22 shipped and/or delivered by its vendors.

23 **VI. THE MARKET FOR LCD PANELS AND LCD PRODUCTS**

24 80. During and after the Conspiracy Period, defendants, or one or more of their
25 subsidiaries, sold LCD Panels in the United States through and into interstate and foreign
26 commerce, including through California, Tennessee and other states.

27 81. During the Conspiracy Period, defendants collectively controlled the market for
28 LCD Panels, both globally and in the United States.

1 82. Defendants' business activities substantially affected interstate trade and
2 commerce in the United States and caused antitrust injury in the United States. Defendants'
3 business activities substantially affected trade and commerce within each of the 50 states, insofar
4 as defendants' conspiracy artificially inflated the prices of LCD Products sold in all 50 states,
5 and so caused antitrust injury in each of those states.

6 83. LCD Panels are utilized in televisions, computer monitors, notebook computers,
7 mobile wireless handsets, digital cameras, and numerous other electronic products. LCD Panels
8 were the principal form of display screen used in desktop computer monitors, laptop computers
9 and mobile wireless handsets during the Conspiracy Period.

10 84. LCD Panels have no independent utility, and have value only as components of
11 LCD Products, such as mobile wireless handsets, desktop computer monitors, notebook
12 computer displays and TVs. The demand for LCD Panels thus derives directly from the demand
13 for LCD Products.

14 85. The market for LCD Panels is enormous, in part because of the extraordinarily
15 high demand for mobile wireless handsets and other LCD Products. For example, demand for
16 mobile wireless handsets grew exponentially during the Conspiracy Period. In 1997, worldwide
17 shipments of mobile wireless handsets totaled approximately 100 million units. This number
18 ballooned to over one billion units by 2006. This increased demand for mobile wireless handsets
19 drove a similar increase in the demand for LCD Panels during the Conspiracy Period. Shipments
20 of LCD Panels for mobile wireless handsets grew from approximately 400 million panels in
21 2001 to over a billion panels in 2006.

22 86. The market for LCD Panels and LCD Products, such as mobile wireless handsets,
23 desktop computer monitors, notebook computers and televisions, are inextricably linked and
24 intertwined because the LCD Panel market exists to serve the markets for LCD Products. The
25 market for LCD Panels and for LCD Products are, for all intents and purposes, inseparable in
26 that one would not exist without the other.

27 87. AT&T Mobility participated in the market for LCD Panels during the Conspiracy
28 Period through its purchases of mobile wireless handsets, notebook computers and desktop

1 computer monitors containing LCD Panels at artificially inflated prices caused by defendants'
2 conspiracy.

3 88. AT&T participated in the market for LCD Panels through its purchases of desktop
4 computer monitors and notebook computers containing LCD Panels at artificially inflated prices
5 caused by defendants' conspiracy.

6 **VII. DEFENDANTS ENGAGED IN PRICE FIXING OF LCD PANELS IN THE**
7 **UNITED STATES AND THEY PARTICIPATED IN PRICE FIXING**
8 **MEETINGS OVERSEAS TO INCREASE THE PRICE OF LCD PANELS SOLD**
9 **IN THE UNITED STATES**

10 89. During the Conspiracy Period, the United States was the world's largest consumer
11 of LCD Products and U.S. companies like Motorola, Dell, Apple and HP were among the largest
12 purchasers of LCD Panels. Defendants were aware that AT&T Mobility, as a wireless
13 telecommunications provider, was one of the largest purchasers of mobile wireless handsets
14 containing LCD Panels in the U.S. When defendants conspired to fix in the U.S. the prices of
15 LCD Panels sold to manufacturers of mobile wireless handsets, defendants knew that those
16 panels would be incorporated into mobile wireless handsets that AT&T purchased in the United
17 States.

REDACTED

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19 90. Defendants also analyzed how AT&T Mobility's and other wireless
20 telecommunications providers' purchases of mobile wireless handsets would impact the demand
21 for and supply of LCD panels.

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25 Defendants
26 thus knew that their conspiracy to fix the price of LCD Panels would affect AT&T Mobility's
27 purchases of mobile wireless handsets in the U.S.
28

91. Samsung actively solicited AT&T Mobility's business in the United States and sold mobile wireless handsets to AT&T Mobility in the United States with the knowledge that the prices of mobile wireless handsets were artificially inflated by defendants' conspiracy to fix the price of LCD Panels. Samsung established sales offices and sales agents in the United States for the purpose of negotiated supply agreements and marketing and selling mobile wireless handsets that contained LCD Panels manufactured by Samsung and its co-conspirators. LG Electronics, one of the two founders and the largest owner of defendant LG Display, Inc., also solicited AT&T Mobility's business in the United States and sold mobile wireless handsets in the United States to AT&T Mobility. Like Samsung, LG Electronics established sales offices and sales agents in the United States, including sales offices focused on LG Electronics' business with AT&T Mobility, for purposes of negotiated supply agreements and marketing and selling mobile wireless handsets that contained LCD Panels manufactured by LG Display, Samsung and their co-conspirators. Both Samsung and LG Electronics, Inc., through their corporate affiliates in the United States, quoted prices to AT&T Mobility for mobile wireless handsets in the United States, with the knowledge that the price of those handsets were artificially inflated as a result of defendants' conspiracy to fix the price of LCD panels in those handsets.

A. Defendants Engaged in Bilateral and Multi-lateral Meetings and Communications With Competitors To Inflate Prices of LCD Panels and LCD Products

92. The defendants conspired to raise the prices of LCD Panels sold into the United States. The LCD Panel conspiracy alleged herein was effectuated through a combination of group and bilateral discussions that took place in Japan, South Korea, Taiwan and in California and elsewhere in the United States. Defendants' conspiracy included agreements to raise fix, raise, maintain and/or stabilize the prices of both TFT-LCD Panels and STN-LCD Panels. Defendants fostered a culture of corruption within their companies whereby employees at every level—from the very top executive all the way to lower-level sales representatives—engaged in frequent and continuous communications with the employees at every level of their competitors. Defendants' senior executives at made it clear to their subordinates that they were required to engage in these illegal exchanges of supply, production, and pricing information as a part of their

1 employment. The lower-level employees funneled the competitive information up to their
2 superiors who utilized that information—along with the pricing information they, themselves,
3 were able to collect through their own illegal competitor contacts—to set prices for LCD Panels
4 at artificially-inflated levels. The constant communications at all levels allowed defendants to
5 conspire to set average prices across the entire industry, as well as conspire to fix the prices of
6 the particular LCD Panels sold to specific U.S. customers, such as Motorola, Dell, Hewlett-
7 Packard, Apple, and others.

8 **1. Defendants' engaged in illegal communications about pricing in the**
9 **U.S.**

10 93. REDACTED

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9 96. For OEMs in the United States, such as Motorola, SonyEricsson, Palm and other
10 manufacturers of mobile wireless handsets, defendants' U.S. affiliates led the LCD Panel price
11 negotiations with those OEMs. Pricing directions came from Asia, where the defendants were
12 also engaging in conspiratorial acts to affect the price of LCD Panels and LCD Products. Many
13 of the defendants' conspiracy meetings and conspiracy communications took place in the U.S.,
14 involved the U.S. affiliates of the defendants, and directly targeted U.S. import commerce and
15 U.S. OEMs. Defendants' conspiratorial conduct also included discussions in Japan, South
16 Korea, and Taiwan in which they agreed to illegally increase the prices of LCD Panels sold in
17 the United States and around the world. And, the Defendants' conspiracy included discussions
18 regarding the retail prices for LCD Products sold by their own corporate subsidiaries and
19 affiliates that manufactured LCD Products, such as mobile wireless handsets. The Defendants
20 conspiratorial acts in Asia were a necessary and integral part of the conspiracy to increase the
21 price of LCD Panels and LCD Products in the U.S. market.

22 2. **Defendants engaged in illegal communications about pricing with**
23 **respect to small panels**

24 97. As part of the larger conspiracy to raise the price of LCD Panels, defendants
25 engaged in bilateral communications specifically regarding prices for small LCD Panels used in
26 mobile devices and two-way radios. These discussions usually took place between sales and
27 marketing employees in the form of telephone calls, emails and instant messages. The
28

1 information gained in these communications was then shared with supervisors and taken into
2 account in determining the price to be offered to defendants' customers.

3 98. These bilateral communications between defendants routinely involved LCD
4 Panels used in mobile wireless devices and other handheld products. Examples include:

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16 3. **Defendants engaged in illegal bilateral and multilateral**
17 **communications about the pricing of TFT-LCD Panels and STN-LCD**
18 **Panels**

19 99. In the early years of the conspiracy, beginning in at least 1996, representatives of
20 the Japanese-based defendants, such as Sharp and Toshiba, met and agreed to fix the prices for
21 LCD Panels generally, as well as to specific OEMs; they also agreed to limit the amount of LCD
22 Panels each would produce.

23 100. In early 1998, high level representatives at various LCD manufacturers, including
24 Sharp, Toshiba, Samsung, NEC, LG Electronics, and Mitsubishi, met to discuss projected sales
25 volumes. The companies agreed that they needed additional meetings to head off the projected
26 higher level of competition between the companies. The companies met again later in 1998 to
27 again discuss their projected sales plans to limit competition between them.

28 101. Beginning in 1999, high level representatives of Samsung met with counterparts
at LG and other companies to discuss pricing trends and other aspects of the LCD Panel market.

1 102. By 2001, Sharp employees were engaging in bilateral discussions with
2 competitors to share price information for both TFT-LCD Panels and STN-LCD Panels used for
3 mobile wireless handset applications. **REDACTED**

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6 103. Other defendants initiated similar discussions regarding the prices of STN-LCD
7 Panel in furtherance of the conspiracy. **REDACTED**

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15 104. **REDACTED**

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17 105. From early 2001 through at least 2006, officials from defendants Samsung, AU
18 Optronics, Chunghwa, Chi Mei, HannStar, LG Display, and Sharp met periodically in Taiwan to
19 discuss and reach agreements on LCD Panel prices, price increases, production, and production
20 capacity, and did in fact reach agreements increasing, maintaining, and/or fixing LCD Panel
21 prices and limiting their production. The group meetings these defendants participated in were
22 called "Crystal Meetings." Each defendant attended multiple meetings with one or more of the
23 other defendants during this period. The Crystal Meetings occurred in Taiwan; other similar
24 meetings took place in South Korea, Japan, and in California and elsewhere in the United States
25 on a regular basis throughout this period.

26 106. The Crystal Meetings were highly organized and followed a set pattern. Meetings
27 among defendants' high-level executives were called "CEO" or "Top" meetings; while those
28 among defendants' vice presidents and senior sales executives were called "Commercial" or

1 “Operational” meetings. As described below, the conspiracy also included “working level”
2 meetings and communications.

3 107. The “CEO” meetings occurred quarterly from approximately 2001 to 2006. The
4 purpose and effect of these meetings was to stabilize or raise prices. Each meeting followed the
5 same general pattern, with a rotating designated “chairman” who would use a projector or
6 whiteboard to show the participants figures relating to the supply, demand, production, and
7 prices of LCD Panels for the group to review. Those attending the meetings would take turns
8 sharing information concerning prices, monthly and quarterly LCD fab output, production, and
9 supply, until a consensus was reached concerning the participants’ prices and production levels
10 of LCD Panels in the coming months or quarter.

11 108. The structure of “Commercial” meetings was largely the same as “CEO”
12 meetings. These meetings took place more frequently than “CEO” meetings and occurred
13 approximately monthly.

14 109. During all of these meetings, defendants exchanged information about current and
15 anticipated prices for their LCD Panels, and thereafter reached agreement concerning the specific
16 prices to be charged in the coming weeks and months for LCD Panels. Defendants set these
17 prices in various ways, including, but not limited to, setting “target” prices, “floor” prices, and
18 the price range or differential between different sizes and types of LCD Panels.

19 110. During these CEO and Commercial meetings, defendants also exchanged
20 information about supply, demand, and their production of LCD Panels, and, thereafter, reached
21 agreement concerning the amounts each would produce. Defendants limited the production of
22 LCD Panels in various ways, including, but not limited to, line slowdowns, delaying capacity
23 expansion, shifting their production to different-sized panels, and setting target production levels.

24 111. The structure of the so-called “Working Level” meetings was less formal than the
25 CEO or Commercial meetings, and often occurred at restaurants over a meal. The purpose of the
26 “Working Level” meetings was to exchange information on price, supply and demand, and
27 production information which then would be transmitted up the corporate reporting chain to
28

those individuals with pricing authority, which facilitated implementation of the conspiracy and effectuated the agreements made at the CEO meetings and at the Commercial meetings.

112. Defendants AU Optronics, Chi Mei, Chunghwa, HannStar, LG Display and Samsung attended multiple CEO, Commercial and working-level meetings, as well as bilateral discussions, during the Conspiracy Period and at least between 2001 and 2006. Additionally, Quanta Display and Unipac, which merged with AU Optronics, participated in working-level meetings. At the CEO and Commercial meetings, these defendants agreed on prices, price increases, and production limits and quotas for LCD Panels.

113. During the Crystal Meetings, defendants also agreed to engage in bilateral communications with those defendants not attending these meetings. Certain defendants were “assigned” other defendants not in attendance and agreed to and did in fact communicate with non-attending defendants to synchronize the price and production limitations agreed to at the Crystal Meetings. Participants at the Crystal meetings contacted Japanese defendants (such as Sharp and Toshiba) to relay the agreed-upon pricing and production limitations. Some of these meetings and communications took place in the U.S. and specifically targeted U.S. commerce and U.S. OEMs.

B. Defendants’ Participation in the Conspiracy in California

114. Many defendants conducted operations in California throughout the Conspiracy Period, including defendants Samsung, LG, Toshiba, Epson, AU Optronics, Chi Mei, Chunghwa, Tatung, and NexGen Mediatech. Through their California operations, defendants implemented their price-fixing conspiracy in the United States. In fact, defendants LG Display Co. Ltd., LG Display America, Inc., Sharp Corporation, Chunghwa Picture Tubes, Ltd., and Epson Imaging Devices Corporation specifically admitted during their plea hearings that acts in furtherance of the conspiracy were carried out within California. Defendants’ employees based in California engaged in bilateral and multilateral communications in furtherance of the conspiracy.

115. Defendants also used their California operations to implement their price-fixing agreements in the United States. Through their activities in California, defendants’ successfully increased the price of LCD-Panels, including the price of LCD-Panels sold to customers in the

1 U.S. that manufactured mobile wireless handsets, which raised the price of mobile wireless
2 handsets purchased by AT&T Mobility.

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1 C. **Defendants Have Been Charged With and Have Pleaded Guilty to**
2 **Participating in Price-Fixing Meetings in the U.S. and for Fixing the Price of**
3 **LCD Panels and LCD Products Sold in the U.S.**

4 124. In December 2006, authorities in Japan, South Korea, the European Union, and
5 the United States revealed the existence of a comprehensive investigation into anti-competitive
6 activity among LCD Panel manufacturers. In a December 11, 2006, filing with the Securities
7 and Exchange Commission, defendant LG Display disclosed for the first time that officials from
8 the Korea Fair Trade Commission and Japan Fair Trade Commission visited the company's
9 Seoul and Tokyo offices and that the United States Department of Justice ("DOJ") had issued a
10 subpoena to its San Jose office.

11 125. On December 12, 2006, news reports indicated that in addition to LG Display,
12 defendants Samsung, Sharp and AU Optronics were also under investigation.

13 126. At least one defendant has approached the DOJ to enter into a leniency agreement
14 with respect to defendants' conspiracy to fix prices of LCD Panels. In order to enter into a
15 leniency agreement under the Corporate Leniency Policy of the Department of Justice, this
16 defendant has reported defendants' price-fixing conspiracy to the DOJ and has confessed its own
17 participation in defendants' price-fixing conspiracy. The DOJ's investigation of the remaining
18 defendants is ongoing and is expected to result in additional guilty pleas and criminal fines from
19 the other defendants to this action. However, a number of defendants and their executives have
20 pleaded guilty to price fixing, as alleged more fully herein.

21 127. Defendant Chi Mei Optoelectronics has admitted and pleaded guilty to
22 participating in the conspiracy from September 2001 to December 2006 to fix the price of LCD
23 Panels sold worldwide, including the United States and California in particular, and to
24 participating in meetings, conversations and communications in Taiwan to discuss the prices of
25 LCD Panels, agreeing to fix the prices of LCD Panels, and exchanging pricing and sales
26 information for the purpose of monitoring and enforcing adherence to agreed-upon prices. In
27 connection with its guilty plea, Chi Mei Optoelectronics has agreed to pay a criminal fine of
28 \$220 million.

1 128. Defendant LG Display has admitted and pleaded guilty to participating in the
2 conspiracy from September 2001 through June 2006 to fix the price of LCD Panels sold
3 worldwide, including the United States and California in particular, and to participating in
4 meetings, conversations and communications in Taiwan, South Korea and the United States to
5 discuss the prices of LCD Panels, agreeing to fix the prices of LCD Panels, and exchanging
6 pricing and sales information for the purpose of monitoring and enforcing adherence to the
7 agreed-upon prices. LG Display also admitted that acts in furtherance of the conspiracy to fix
8 the price of LCD Panels were carried out in California. In connection with its guilty plea, LG
9 Display has agreed to pay a fine of \$400 million, reported at the time as the second-highest
10 criminal fine ever imposed by the DOJ's Antitrust Division, for its participation in the
11 conspiracy.

12 129. Chung Suk "C.S." Chung, an executive from LG Display also pleaded guilty to
13 participating in the conspiracy to fix the prices of LCD Panels sold worldwide, including the
14 United States and California in particular, from September 2001 through June 2006.
15 Specifically, Mr. Chung admitted that he participated in meetings, conversations and
16 communications in Taiwan, South Korea and the United States to discuss the prices of LCD
17 Panels, agreed to fix the prices of LCD Panels at certain predetermined levels, issued price
18 quotations in accordance with the agreements reached, exchanged pricing and sales information
19 for the purpose of monitoring and enforcing adherence to the agreed-upon prices, and authorized,
20 ordered, and consented to the participation of subordinate employees in the conspiracy. In
21 connection with his guilty plea, Mr. Chung has agreed to serve a 7-month prison term and pay a
22 criminal fine of \$25,000.

23 130. Bock Kwon, an executive from LG Display, also pleaded guilty to participating in
24 the conspiracy to fix the prices of LCD Panels sold worldwide, including the United States and
25 California in particular, from September 2001 through June 2006. Specifically, Mr. Kwon
26 admitted that he participated in meetings, conversations and communications in Taiwan, South
27 Korea and the United States to discuss the prices of LCD Panels, agreed to fix the prices of LCD
28 Panels at certain predetermined levels, issued price quotations in accordance with the agreements

1 reached, exchanged pricing and sales information for the purpose of monitoring and enforcing
2 adherence to the agreed-upon prices, and authorized, ordered, and consented to the participation
3 of subordinate employees in the conspiracy. In connection with his guilty plea, Mr. Kwon has
4 agreed to serve a 12-month prison term and pay a criminal fine of \$30,000.

5 131. In addition, Duk Mo Koo, former Executive Vice President and Chief Sales
6 Officer from LG Display, has been indicted for participating in the conspiracy to fix the price of
7 LCD Panels sold worldwide, including the United States and California in particular, from
8 December 2001 through December 2005. Specifically, Mr. Koo has been charged with
9 participating in meetings, conversations and communications in Taiwan, South Korea and the
10 United States to discuss the prices of LCD Panels, including the Crystal Meetings that took place
11 in Taiwan. Mr. Koo has also been charged with agreeing to fix the prices of LCD Panels at
12 certain predetermined levels, issuing price quotations in accordance with the agreements
13 reached, exchanging pricing and sales information for the purpose of monitoring and enforcing
14 adherence to the agreed-upon prices, authorizing, ordering, and consenting to the participation of
15 subordinate employees in the conspiracy, accepting payment for the supply of LCD Panels sold
16 at collusive, noncompetitive prices to customers in the United States, and taking steps to conceal
17 the conspiracy and his conspiratorial contacts.

18 132. Chunghwa has admitted and pleaded guilty to participating in the conspiracy from
19 September 2001 to December 2006 to fix the price of LCD Panels sold worldwide, including the
20 United States and California in particular, and to participating in meetings, conversations and
21 communications in Taiwan to discuss the prices of LCD Panels, agreeing to fix the prices of
22 LCD Panels, and exchanging pricing and sales information for the purpose of monitoring and
23 enforcing adherence to agreed-upon prices. Chunghwa also admitted that acts in furtherance of
24 the conspiracy to fix the price of LCD Panels were carried out in California. In connection with
25 its guilty plea, Chunghwa has agreed to pay a criminal fine of \$65 million.

26 133. In addition, two current executives from Chunghwa, Chih-Chun "C.C." Liu and
27 Hsueh-Lung "Brian" Lee, and one former executive from Chunghwa, Chieng-Hon "Frank" Lin
28 also pleaded guilty to participating in the conspiracy from September 2001 through December

2006. Specifically, Mr. Liu, Mr. Lee and Mr. Lin admitted that they participated in meetings, conversations and communications in Taiwan, South Korea and the United States to discuss the prices of LCD Panels, agreed to fix the prices of LCD Panels at certain predetermined levels, issued price quotations in accordance with the agreements reached, exchanged pricing and sales information for the purpose of monitoring and enforcing adherence to the agreed-upon prices, and authorized, ordered, and consented to the participation of subordinate employees in the conspiracy. In connection with their guilty plea, Mr. Lin has agreed to serve a 9-month prison term and pay a criminal fine of \$50,000; Mr. Liu has agreed to serve a 7-month prison term and pay a criminal fine of \$30,000; and Mr. Lee has agreed to serve a 6-month prison term and pay a criminal fine of \$20,000.

134. In addition, two former Chunghwa executives, Cheng Yuan Lin and Wen Jun Cheng, have been indicted for participating in the conspiracy to fix the price of LCD Panels sold worldwide from December 2001 through December 2005. Specifically, Mr. Lin and Mr. Cheng have been charged with participating in meetings, conversations and communications in Taiwan, South Korea and the United States to discuss the prices of LCD Panels, including the Crystal Meetings that took place in Taiwan. Mr. Lin and Mr. Cheng have also been charged with agreeing to fix the prices of LCD Panels at certain predetermined levels, issuing price quotations in accordance with the agreements reached, exchanging pricing and sales information for the purpose of monitoring and enforcing adherence to the agreed-upon prices, authorizing, ordering, and consenting to the participation of subordinate employees in the conspiracy, accepting payment for the supply of LCD Panels sold at collusive, noncompetitive prices to customers in the United States, and taking steps to conceal the conspiracy and their conspiratorial contacts.

135. Defendant Sharp has admitted and pleaded guilty to participating in the conspiracy with unnamed conspirators to fix the price of LCD Panels sold to Dell from April 2001 to December 2006, to Apple Computer from September 2005 to December 2006, and to Motorola from the fall of 2005 to the middle of 2006, and to participating in bilateral meetings, conversations and communications in Japan and in the United States with unnamed co-conspirators to discuss the prices of LCD Panels, agreeing to fix the prices of LCD Panels,

1 agreeing to fix the prices of LCD Panels, and exchanging pricing and sales information for the
2 purpose of monitoring and enforcing adherence to the agreed-upon prices. Sharp admitted that
3 acts in furtherance of the conspiracy to fix the price of LCD Panels were carried out in
4 California. Defendant Sharp participated in multiple Working Level meetings, as well as
5 bilateral discussions with other defendants, during which it discussed and reached agreements
6 with other defendants on prices for LCD Panels during the Conspiracy Period. AT&T Mobility
7 purchased handsets from Motorola that contained LCD Panels for which Sharp admittedly fixed
8 the prices.

9 136. Defendant Sharp also participated in multiple bilateral discussions with other
10 defendants, including Toshiba and Epson, during the Conspiracy Period. Through these
11 discussions, Sharp agreed on prices, price increases, production quotas and production limits for
12 LCD Panels. Because Toshiba and Epson were Sharp's primary competitors in the sale of LCD
13 Panels used in mobile wireless handsets, Sharp knew that it could not have fixed the prices of
14 LCD Panels incorporated into such handsets – as Sharp admitted it did in its guilty plea – unless
15 it reached agreements with Toshiba and Epson to do the same.

16 137. Defendant Epson Japan has admitted and pleaded guilty to participating in
17 the conspiracy with unnamed co-conspirators to fix the price of LCD Panels sold to
18 Motorola and agreed to pay a criminal fine of \$26 million. Epson Japan has admitted to
19 participating in the conspiracy from 2005 through 2006 to fix the prices of LCD Panels,
20 and to participating in meetings, conversations and communications in Japan and the
21 United States to discuss the prices of LCD Panels, agreeing to fix the prices of LCD
22 Panels, and exchanging pricing and sales information for the purpose of monitoring and
23 enforcing adherence to the agreed-upon prices. During the Conspiracy Period, Motorola
24 was one of AT&T Mobility's largest suppliers of mobile wireless handsets.

25 138. Defendant Epson America is a wholly-owned and controlled subsidiary of
26 co-conspirator Epson Japan. At one of the bilateral meetings described above, Epson
27 Japan was represented by co-conspirator Mitsui & Co., Ltd. ("Mitsui"). At that meeting,
28 Mitsui served as an agent of, and under the direction of, both Epson Japan and Epson

1 America. Epson Japan and Epson America, through their agent, were parties to the
2 agreements made at those meetings and acted as co-conspirators. In addition, to the
3 extent Epson America sold or distributed LCD Products, it played a significant role in the
4 conspiracy because defendants wished to ensure that the prices for such products did not
5 undercut the pricing agreements reached at these various meetings. Thus, Epson America
6 was an active, knowing participant in the alleged conspiracy, and acted as Epson Japan's
7 agent for selling LCD Products in the United States.

8 139. Defendant Toshiba also participated in the conspiracy by entering into
9 joint ventures and other arrangements to manufacture or source LCD Panels with one or
10 more defendant that attended the Crystal Meetings. The purpose and effect of these joint
11 ventures by Toshiba and others was to limit the supply of LCD Panels and fix prices of
12 such panels at unreasonably high levels and to aid, abet, notify and facilitate the
13 implementation of the price-fixing and production-limitation agreements reached at the
14 meetings. During the Conspiracy Period, Toshiba sought and formed strategic
15 partnerships with other LCD manufacturers that allowed it to easily communicate and
16 coordinate prices and production levels with other manufacturers as part of the overall
17 conspiracy alleged herein. For instance, Toshiba formed HannStar in January 1998 as a
18 manufacturing joint venture. In 2001, Toshiba and Matsushita formed a joint venture,
19 Advanced Flat Panel Displays, which merged their LCD operations. In April 2002,
20 Toshiba and Matsushita formed a joint venture, Toshiba Mobile Display, f/k/a Toshiba
21 Matsushita Display Technology Co. Ltd., which combined the two companies' LCD
22 development, manufacturing, and sales operations. In 2006, Toshiba purchased a 20%
23 stake in LG Display's LCD Panel manufacturing facility in Poland. The operation and
24 management of these many different joint ventures afforded Toshiba and the other
25 defendant joint-venture partners regular opportunities to communicate with each other to
26 agree on prices, price increases and production limits and quotas for LCD Panels that
27 each defendant manufactured and sold.

1 140. Co-conspirator Hydis Technologies Co. Ltd., f/k/a BOE Hydis Technology Co.,
2 Ltd. (“Hydis”), participated in multiple lower level meetings between at least 2002 and 2005. In
3 addition, Hydis had a bilateral meeting with a Taiwanese defendant at least as recently as 2005.
4 Through these discussions, Hydis agreed on prices and supply levels for LCD Panels.

5 141. Co-conspirator Mitsubishi Electric Corporation (“Mitsubishi”) participated in
6 multiple lower level meetings in 2001 with Chi Mei, Chunghwa, Samsung, and Unipac
7 Electronics (later AU Optronics). Through these meetings, Mitsubishi agreed on prices and
8 supply levels for LCD Panels.

9 142. Co-conspirator Mitsui had at least one bilateral meeting, which included a
10 discussion about customers and future pricing, with a Taiwanese defendant in 2001. Mitsui was
11 acting as an agent for co-conspirator Epson Japan in this discussion. Mitsui and Epson Japan
12 agreed on prices and supply levels for LCD Panels.

13 143. Co-conspirator NEC LCD Technologies, Ltd. (“NEC”) participated in meetings
14 or discussions during the Class Period with at least one other defendant or co-conspirator, which
15 included discussions about prices for LCD Panels.

16 144. Co-conspirator IPS Alpha Technology, Ltd. (“IPS Alpha”) is a joint venture
17 among Hitachi Displays, Ltd., Toshiba Corporation, and Panasonic Corporation (“Panasonic”),
18 and one or more of the partners in this joint venture participated in the meetings described above.
19 As a result, IPS Alpha was represented at those meetings and was a party to the agreements
20 entered into by its joint venture partners at these meetings. As explained above, the agreements
21 at these meetings included agreements on price ranges and output restrictions. The joint venture
22 partners had substantial control over IPS Alpha’s production levels and the prices of LCD Panels
23 the joint ventures sold both to the joint venture partners and other non-affiliated companies.
24 Thus, IPS Alpha and Panasonic were active, knowing participants in the alleged conspiracy.

25 145. When AT&T Mobility and AT&T refer to a corporate family or companies by a
26 single name in their allegations of participation in the conspiracy, it is to be understood that they
27 are alleging that one or more employees or agents of entities within the corporate family engaged
28 in conspiratorial meetings on behalf of every company in that family. In fact, the individual

1 participants in the conspiratorial meetings and discussions did not always know the corporate
2 affiliation of their counterparts, nor did they distinguish between the entities within a corporate
3 family. The individual participants entered into agreements on behalf of, and reported these
4 meetings and discussions to, their respective corporate families. As a result, the entire corporate
5 family was represented in meetings and discussions by their agents and were parties to the
6 agreements reached in them. Furthermore, to the extent that subsidiaries within the corporate
7 families distributed LCD Panels or LCD Products to direct purchasers, these subsidiaries played
8 a significant role in the conspiracy because defendants wished to ensure that the prices for such
9 products paid by direct purchasers would not undercut the pricing agreements reached at these
10 various meetings. Thus, all entities within the corporate families were active, knowing
11 participants in the alleged conspiracy.

12 **D. Market Conditions Demonstrating the Conspiracy**

13 146. Beyond the guilty pleas and the extensive evidence of the defendants'
14 wrongdoing produced by the defendants themselves, the market for LCD Panels provides further
15 evidence of defendants' collusive behavior.

16 1. **Structure of the LCD Panel Industry**

17 147. The LCD Panel industry has several characteristics that facilitated a conspiracy to
18 fix prices, including high concentration, significant barriers to entry, homogeneity of products,
19 consolidation, multiple interrelated business relationships and ease of information sharing.

20 148. The LCD Panel industry is highly concentrated and thus conducive to collusion.
21 Throughout the Conspiracy Period, defendants collectively controlled a significant share of the
22 market for LCD Panels, both globally and in the United States.

23 149. The LCD industry is characterized by high barriers to entry. New fabrication
24 plants, or "fabs," can cost upwards of \$2 to \$3 billion, and rapidly evolving technology and
25 intellectual property requirements require constant research and development and investment.
26 Thus, firms cannot enter the market for the production and sale of LCD Panels without an
27 enormous capital investment.
28

1 150. LCD Panels, whether incorporated into mobile wireless handsets or desktop
2 monitors, notebook computers and TVs, are manufactured to a specific size, regardless of
3 manufacturer. The manufacture of standard panel sizes for products containing LCD Panels
4 across the LCD Panel industry facilitates price transparency in the market for LCD Panels and
5 enables LCD Panel manufacturers to monitor and analyze LCD Panel prices and thus enables
6 them to enforce their conspiracy.

7 151. The LCD Panel industry has experienced significant consolidation during the
8 Conspiracy Period, as reflected by:

- 9 • the 2001 creation of AU Optronics itself through the merger of Acer Display and
10 Unipac Electronics;
- 11 • the 2002 merger of the LCD operations of Toshiba and Matsushita into one entity,
12 defendant Toshiba Mobile Display Co., Ltd., in 2002;
- 13 • the 2004 joint venture for the production of LCD Panels for televisions by
14 Hitachi, Toshiba, and Matsushita;
- 15 • the 2005 transfer of Fujitsu Limited's LCD business to Sharp;
- 16 • the 2006 AU Optronics' acquisition of Quanta Display;

17 152. Additional opportunities for collusive activity are presented by the many joint
18 ventures, cross-licenses, and other cooperative arrangements in the LCD Panel industry. Using
19 the otherwise legitimate cover of joint ventures, cross licenses, and other cooperative
20 arrangements, defendants implemented and policed their illegitimate agreements to fix prices and
21 limit output for LCD Panels with the numerous meetings described hereinafter.

22 153. There were many opportunities for defendants to discuss and exchange
23 competitively-sensitive information with their common membership in trade associations,
24 interrelated business arrangements such as joint ventures, allegiances between companies in
25 certain countries, and relationships between the executives of certain companies.
26 Communication between the conspirators was facilitated by the use of meetings, telephone calls,
27 e-mails, and instant messages. Defendants took advantage of these opportunities to discuss and
28

1 agree upon their pricing of LCD Panels and monitor each other's compliance with their
2 agreement.

3 **2. Pricing in the LCD Panel market indicates collusion by the**
4 **defendants**

5 154. Since at least 1996, the LCD Panel market has not behaved as would be expected
6 of a competitive market free of collusion. Rather, the behavior of this market strongly evidences
7 that defendants engaged in a significant price-fixing conspiracy that had the purpose and effect
8 of stabilizing and raising prices for LCD Panels at supra-competitive levels.

9 155. After initially being introduced into a market, consumer electronics products and
10 their component parts typically are characterized by steady downward pricing trends. However,
11 since at least 1996, the LCD Panel market has been characterized by price stability and certain
12 periods of substantial upward pricing trends.

13 156. Moreover, since at least 1996, the LCD Panel market has not followed the basic
14 laws of supply and demand in a competitive market. In a competitive market, price increases
15 normally occur during shortage periods. Since at least 1996, however, there have been
16 significant price increases in the LCD Panel market during periods of both oversupply and
17 shortage.

18 157. The demand for consumer electronic products and their component parts
19 generally increases over time. As would be expected, demand for LCD Panels and LCD
20 Products were steadily and substantially increasing throughout the Conspiracy Period. For
21 example, a November 2005 forecast indicated that shipments of LCD Panels for mobile wireless
22 handsets would grow 66% from 2004 through 2005, due to increased demand for mobile
23 wireless handsets.

24 158. Rather than competing for this increased demand, however, since at least 1996,
25 defendants worked together to stabilize prices by agreeing to fix prices at artificially high levels
26 and to restrict the supply of LCD Panels through, among other things, decreasing their capacity
27 utilization and refraining from expanding existing capacity. Those defendants not already
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1 manufacturing LCD Panels in 1996 joined this conspiracy when they began manufacturing LCD
2 Panels.

3 159. In 1996, the LCD Panel market was experiencing excess supply and drastic price
4 cuts. Prices had already fallen 40 to 50 percent in 1995, and were projected to continue dropping
5 due to lower manufacturing costs. However, LCD Panel prices began rising in 1996, allegedly
6 due to insufficient production capacity. In fact, defendants had begun stabilizing and raising the
7 prices.

8 160. LCD Panel prices began to increase in early 1996. Defendants blamed the sudden
9 increase in prices on an alleged inability to supply enough LCD Panels to meet demand. By May
10 of 1996, an industry magazine was reporting that, “[f]lat-panel-display purchasers are riding a
11 roller coaster of pricing in the display market, with no clear predictability anytime soon
12 Perplexed purchasers trying to keep up with the gyrating market can take solace that even
13 vendors are constantly being surprised by the sudden twists and turns.”

14 161. Soon thereafter, industry analysts began commenting on the unusual rise in LCD
15 Panel prices, noting that this rise in prices was “quite rare in the electronics industry.”

16 162. 1996 also brought the advent of third generation fabs. Since 1996, additional
17 generations of fabs have been built, which has resulted in at least eight generations of LCD Panel
18 fabs. LG Electronics was scheduled to have its third generation fab online by 1997, and Hyundai
19 was scheduled to do so by early 1998. Each new LCD Panel generation was produced from ever
20 larger pieces of glass, so as to reduce the cost of the screens used in televisions, computer
21 monitors, and laptops. Ever-increasing production capacity threatened to outstrip demand for
22 LCD Panels, with the result that prices of LCD Panels should have decreased rapidly. Instead,
23 defendants falsely claimed to be operating at full capacity and unable to meet demand, despite
24 the millions of units of over-capacity that had supposedly existed months earlier, and prices
25 surged upwards. These price increases were also inconsistent with the fact that production had
26 become more efficient and cost effective.

27 163. The supra-competitive level of LCD Panel prices during the Conspiracy Period is
28 demonstrated by, *inter alia*, the fact that costs were decreasing. One of the most significant costs

1 in producing an LCD Panel is the cost of its component parts. Some of the major component
2 parts for an LCD Panel include the backlight, color filter, PCB polarizer, and glass. During the
3 Conspiracy Period, the costs of these components collectively and individually had been
4 generally declining, and in some periods at a substantial rate. Thus, the margin between LCD
5 Panel manufacturers' prices and their costs was unusually high during the Conspiracy Period.

6 164. During the end of 2001 and 2002, LCD Panel prices increased substantially while
7 the costs to produce these panels remained flat or decreased. Similarly, during the end of 2003
8 to 2004, LCD Panel prices again increased by a substantial amount, while costs remained flat or
9 decreased. This economic aberration is the intended and necessary result of defendants'
10 conspiracy to raise, fix, maintain, or stabilize the prices of LCD Panels.

11 165. LCD Panel prices increased by more than 5% in October 2001. These price
12 increases continued until June of 2002.

13 166. At the time, defendants blamed these price increases on supply shortages. In fact,
14 these price increases were a direct result of defendants' agreement to fix, maintain, and/or
15 stabilize the prices of LCD Panels and defendants' false statements about supply shortages were
16 designed to conceal their price-fixing agreement. When asked why prices had increased,
17 defendants repeatedly asserted that increases in LCD prices were due to increased demand and a
18 "supply shortage."

19 167. These price increases occurred as production costs declined due to lower prices
20 for parts and components as well as improvements in manufacturing efficiency. These
21 decreasing costs should have led to lower prices and competition among defendants. Instead,
22 because defendants had entered into an agreement to fix, raise, and maintain the prices for LCD
23 Panels at artificially high levels, it resulted in extremely high profits. For example, defendants
24 AU Optronics Inc., Chi Mei Optoelectronics Corp., Chunghwa Picture Tubes Ltd., and HannStar
25 Display Inc. posted higher pretax profits than expected in the first quarter of 2002. AU
26 Optronics reported revenue of NT \$19.7 billion in the first quarter, with pretax profit reaching
27 about NT \$2 billion. Chi Mei Optoelectronics reported pretax earnings of NT \$800 million on
28 revenue of about NT \$8.8 billion at the same period.

1 168. This increase in prices and revenue was unprecedented. During the first six
2 months of 2002, revenue for Taiwan's five major LCD Panel manufacturers (defendants AU
3 Optronics, Chi Mei, Chunghwa Picture Tubes Ltd., HannStar Display Inc., and Quanta Display
4 Inc. (later purchased by AU Optronics) rose 184% from the same period in 2001.

5 **E. The Conspiracy's Effect on Earlier LCD Technologies**

6 169. During the Conspiracy Period, LCD Panels used in certain applications, including
7 notebook PCs and mobile wireless handsets, included both TFT-LCD Panels and STN-LCD
8 Panels. STN-LCD Panels included CSTN-LCD Panels and MSTN-LCD Panels. Certain
9 defendants, their corporate affiliates, and other members of the conspiracy manufactured both
10 TFT-LCD Panels and STN-LCD Panels, including defendants Samsung, Sharp and Epson. The
11 same individuals at the defendants who were engaged in bilateral communications and group
12 meetings regarding TFT-LCD Panel prices also had pricing responsibilities for STN-LCD
13 Panels.

14 **1. Defendants' Bilateral Communications Regarding STN-LCD Panels**

15 170. Defendants' conspiracy included agreements to raise fix, raise, maintain and/or
16 stabilize the prices of both TFT-LCD Panels and STN-LCD Panels. Specifically, defendants
17 engaged in bilateral discussions in which they exchanged information about STN-LCD Panel
18 pricing, shipments, and production. These discussions usually took place between sales and
19 marketing employees in the form of telephone calls, emails and instant messages. The
20 information gained in these communications was then shared with supervisors and taken into
21 account in determining the price to be offered defendants' customers for STN-LCD Panels.

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11 2. **The Structure of the LCD Panel Market Facilitated the Inflation of**
12 **Prices of STN-LCD Panels As Well As TFT-LCD Panels**

13 184. At certain points during the Conspiracy Period, for certain applications in LCD
14 Panel Products, TFT-LCD Panels and CSTN-LCD Panels were close substitutes for each other.
15 For example, beginning in 2000, TFT-LCD Panels and CSTN-LCD Panels were both purchased
16 in significant quantities for similar uses – i.e., display purposes – in mobile wireless handsets and
17 other LCD Products that included small displays. At other times during the Conspiracy Period,
18 TFT-LCD Panels and CSTN panels were both purchased in significant quantities for use in
19 notebook PCs.

20 185. At certain points during the Conspiracy Period, for certain applications in LCD
21 Panel Products, TFT-LCD Panels, CSTN-LCD Panels and MSTN-LCD Panels were substitutes
22 for each other. At these points during the Conspiracy period, all three panels were purchased for
23 display applications in mobile wireless handsets and other LCD Products that included small
24 displays.

25 186. During the Conspiracy Period, purchasers of LCD Panels sometimes switched
26 their purchases from TFT-LCD Panels to STN-LCD Panels in response to changes in the relative
27 prices of TFT-LCD Panels and STN-LCD Panels.

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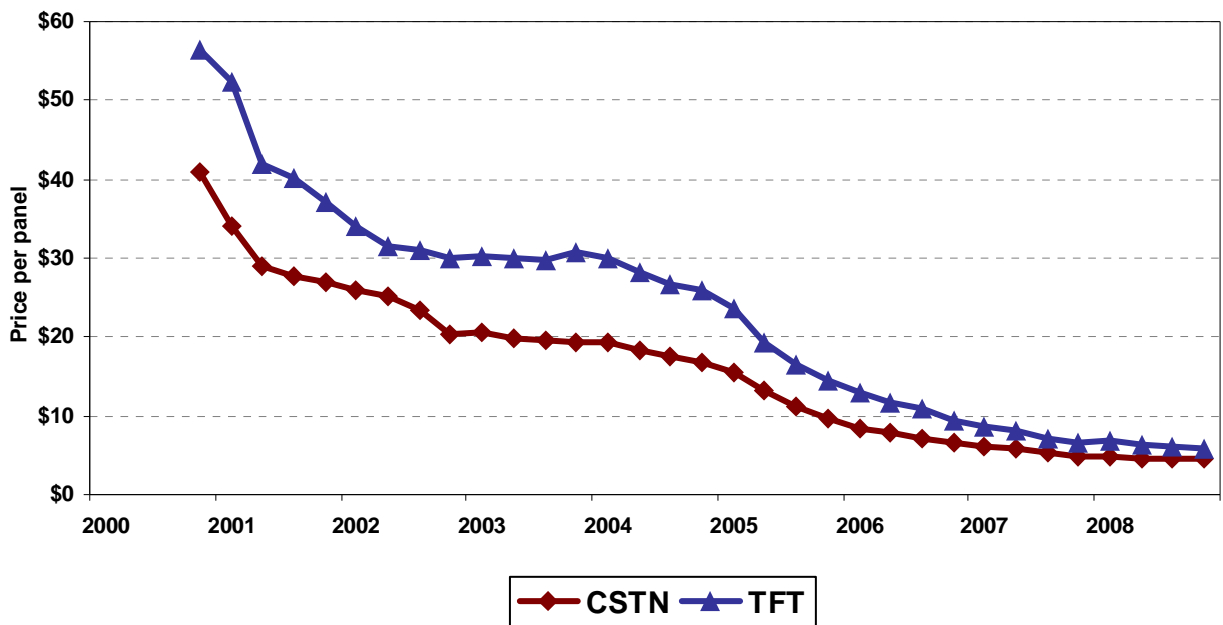
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Because handset

manufacturers could and sometimes did switch from TFT-LCD Panels to STN-LCD Panels in response to higher TFT-LCD Panel prices, defendants knew that in order to effectively fix, raise and maintain prices for TFT-LCD prices, as they have admitted, they would also need to fix, raise and maintain prices of STN-LCD panels as well.

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187. Because TFT-LCD Panels and STN-LCD Panels were close substitutes, and purchasers of LCD panels switched purchases between the two technologies, from at least 2001 through 2006, the price per square inch of TFT-LCD Panels and CSTN-LCD panels tracked very closely, as seen in the chart below:



188. The defendants understood that they could profitably raise prices of STN-LCD Panels in response to increases in TFT-LCD Panel prices.

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189. Because TFT-LCD Panels and STN-LCD Panels, including both CSTN-LCD Panels and MSTN-LCD Panels were substitutes in certain LCD Products at certain points during the Conspiracy Period, and because defendants collectively controlled a significant share of the market for LCD panels, both globally and in the United States, defendants had the incentive and ability to inflate the prices of STN-LCD Panels as well as TFT-LCD Panels. The conspiracy's success in inflating TFT-LCD Panel prices also inflated STN-LCD prices, and *vice versa*.

F. Conspiracy's Effect on U.S. Commerce

190. Defendants' illegal conduct involved U.S. import trade or import commerce. Defendants knowingly and intentionally sent price-fixed LCD Panels to the facilities of foreign manufacturers, including manufacturers of mobile wireless handsets, knowing that they would subsequently be imported into the United States, one of their most important markets and a major source of their revenues. In this respect, defendants directed their anticompetitive conduct at imports into the United States with the intent of causing price-fixed LCD Panels to enter the United States market and inflating the prices of mobile wireless handsets and other LCD Products AT&T Mobility and AT&T purchased in the United States. Such conduct was meant to produce and did in fact produce a substantial effect in the United States in the form of higher prices being paid for such products by U.S. companies like AT&T Mobility and AT&T.

191. The U.S. LCD market is enormous and was a major focus of the conspiracy. Measured by value, defendants and others shipped during the Conspiracy Period more than 400 million LCD Panels, including those incorporated into LCD Products, into the United States for ultimate sale to U.S. consumers. During the Conspiracy Period, the value of these LCD Panels imported into the United States was in excess of \$50 billion. Defendants shipped millions of LCD Products worth billions of dollars into the United States each year during the Conspiracy Period. As a result, a substantial portion of defendants' revenues was derived from the U.S. market. Defendants spent hundreds of millions of dollars on advertising their products in the United States. Most, if not all, defendants had marketing, sales, and account management teams

specifically designated to handle U.S. customer accounts and the U.S. market for LCD Panels and LCD Products.

192. During the Conspiracy Period, every defendant shipped LCD Panels directly into the United States.

193. Because of the importance of the U.S. market to defendants and their co-conspirators, LCD Panels and LCD Products intended for importation into and ultimate consumption in the United States were a focus of defendants' illegal conduct. The defendants knowingly and intentionally sent price-fixed LCD Panels and LCD Products into a stream of commerce that lead directly into the United States. Many LCD Panels were intended for incorporation into finished products specifically destined for sale and use in the United States. Furthermore, this conduct by defendants was meant to produce and did in fact produce a substantial effect in the United States in the form of artificially-inflated prices for LCD Panels and LCD Products.

194. When high-level executives based at defendants' Asian headquarters agreed on prices, they knew that their price-fixed LCD Panels would be incorporated into LCD Products sold in the United States. Moreover, because LCD Panels are – and were throughout the Conspiracy Period – the most expensive and significant component of LCD Products, defendants knew that price increases for LCD Panels would necessarily result in increased prices for LCD Products sold in the United States. Many defendants manufactured LCD Products and sold them in the United States. In fact, defendants routinely monitored the effect their price-fixing had on the prices of such LCD Products sold in the United States.

195. Defendants also monitored the prices for LCD Products sold in the United States, which they often referred to as “street prices,” because defendants were aware that the conspiracy would elevate those prices in addition to the prices of LCD Panels. In addition, defendants used LCD Product pricing in the United States as a benchmark for establishing, organizing, and tracking their price-fixing of LCD Panels.

196. Defendants have acknowledged that their commercial activities involving intentionally sending LCD Panels and LCD Products into the United States impacted American

import trade and import commerce. In a series of complaints filed with the U.S. International Trade Commission over the past few years, defendants Samsung and Sharp have both alleged infringing conduct based on “[t]he importation into the United States, sale for importation into the United States, and/or sale after importation in the United States of . . . LCD devices” by the other (and by other entities on its behalf). *See In the Matter of Certain Liquid Crystal Display Devices and Products Containing the Same*, Investigation No. 337-TA-631, Complaint of Samsung Electronics Co., Ltd. (December 21, 2007) (Docket No. 2586); *In the Matter of Certain Liquid Crystal Display Modules, Products Containing Same, and Methods for Using the Same*, Investigation No. 337-TA-634, Complaint of Sharp Corporation (January 30, 2008) (Docket No. 2594); *In the Matter of Certain Liquid Crystal Display Devices and Products Containing the Same*, Investigation No. 337-TA-699, Complaint of Samsung Electronics Co., Ltd. (December 1, 2009) (Docket No. 2698).

197. Defendants who have entered guilty pleas in connection with the LCD conspiracy have acknowledged that their illegal activities impacted imports into the United States and had a substantial effect on American import trade and import commerce. Those defendants have expressly admitted that “[LCD Panels] affected by [their] conspiracy [were] sold by one or more of the conspirators to customers in [the Northern District of California].”

198. For the reasons set forth above, defendants’ illegal conduct involved import trade or import commerce into the United States.

199. All of the above facts also demonstrate that defendants’ illegal activities had a direct, substantial, and reasonably foreseeable effect on U.S. commerce.

VIII. PLAINTIFFS’ INJURIES

200. AT&T Mobility has suffered a direct, substantial, and reasonably foreseeable injury as both a purchaser of mobile wireless handsets containing LCD Panels and as a purchaser of other LCD Products as a result of defendants’ conspiracy to raise, fix, stabilize, or maintain the price of LCD Panels at supra-competitive levels. Defendants’ conspiracy artificially inflated the price of LCD Panels incorporated into such mobile wireless handsets, causing AT&T Mobility to pay higher prices than it would have in the absence of defendants’ conspiracy.

1 201. In some cases, AT&T Mobility purchased mobile wireless handsets directly from
2 defendants. For example, during the Conspiracy Period, AT&T Mobility purchased mobile
3 wireless handsets directly from defendant Samsung and/or its wholly owned and controlled sales
4 agents in the United States. As a result of defendants' conspiracy to fix the price of LCD panels,
5 AT&T Mobility purchased mobile "Samsung"-branded wireless handsets from Samsung at
6 artificially-inflated prices and suffered injury in the United States as a direct purchaser from
7 Samsung.

8 202. During the Conspiracy Period, AT&T Mobility also purchased mobile wireless
9 handsets directly from LG Electronics, Inc. and its subsidiaries, affiliates or sales agents in the
10 United States (collectively, "LG Electronics"). LG Electronics owned a substantial interest in
11 and exerted control over defendant LG Display, which has already pleaded guilty to having fixed
12 the price of LCD Panels. Defendants' conspiracy to fix the price of LCD Panels affected the
13 LCD Panels contained in the mobile wireless handsets AT&T Mobility purchased from LG
14 Electronics. LG Electronics passed on the overcharge caused by defendants' conspiracy to
15 AT&T Mobility, and as a result, AT&T Mobility suffered injury and paid supra-competitive
16 prices for "LG"-branded mobile wireless handsets it purchased in the United States from LG
17 Electronics.

18 203. AT&T Mobility suffered injury in the United States as a direct purchaser as a
19 result of its purchases of mobile wireless handsets from LG Electronics. During the Conspiracy
20 Period, LG Display was the manufacturing agent and alter ego of LG Electronics, and LG
21 Electronics and LG Display constituted a single entity for purposes of AT&T Mobility's
22 purchases from LG Electronics due to their close affiliation and unity of interest. Beginning in
23 July 1999, LG Electronics placed its LCD Panel manufacturing operations in LG Display, which
24 LG Electronics organized as a joint venture and which also received a capital contribution from
25 Royal Philips Electronics N.V. In June 1999, LG Display began manufacturing LCD Panels at
26 the same fabs in Gumi, South Korea previously owned and operated in the name of LG
27 Electronics. From 1999 through 2006 LG Electronics exerted control over all aspects of LG
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1 Display's operations. Boon Joon Koo, CEO of LG Display, was formerly vice president of LG
2 Electronics. Hee Gook Lee, president of LG Electronics, served on the board of LG Display.

3 204. In addition, due to its financial interest in and control over LG Display, LG
4 Electronics stood to reap substantial financial benefits from LG Display's participation in the
5 conspiracy to fix the price of LCD Panels. Because LG Electronics profited from the artificially-
6 inflated prices for LCD Panels charged by LG Display, there is no realistic possibility that LG
7 Electronics will attempt to recover any overcharges for LCD Panels that LG Electronics
8 purchased from LG Display or any of LG Display's co-conspirators.

9 205. AT&T Mobility also purchased mobile wireless handsets containing LCD Panels
10 from other handset OEMs, which in turn purchased LCD Panels from defendants and their co-
11 conspirators. Defendants' conspiracy affected and artificially inflated the price of LCD Panels
12 purchased by these handset OEMs, which paid higher prices for LCD Panels than they would
13 have absent the conspiracy. The conspiracy artificially inflated the prices of TFT-LCD Panels
14 included in mobile wireless handsets, as well the price of MSTN and CSTN LCD Panels
15 included in such handsets.

16 206. The handset OEMs passed on to their customers, including AT&T Mobility, the
17 overcharges caused by defendants' conspiracy. AT&T Mobility was not able to pass on to its
18 customers the overcharge caused by defendants' conspiracy. Thus, AT&T Mobility suffered
19 injury when it purchased mobile wireless handsets containing LCD Panels from the handset
20 OEMs.

21 207. In addition, AT&T Mobility and AT&T have suffered a direct, substantial, and
22 reasonably foreseeable injury as a result of defendants' conspiracy to raise, fix, stabilize or
23 maintain the price of LCD Panels at artificial levels as purchasers of LCD Products for their own
24 use.

25 208. During the Conspiracy Period, a number of large computer OEMs, such as Dell,
26 IBM, and Hewlett-Packard, sold desktop computer monitors and laptop and notebook computers
27 to AT&T Mobility and AT&T. In fact, the computer OEM with the largest share of desktop
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1 computer monitor and laptop and notebook computer sales in the United States, Dell, sold
2 exclusively to end users, including AT&T Mobility and AT&T.

3 209. Defendants' conspiracy artificially inflated the price of the LCD Panels purchased
4 by these computer OEMs for incorporation into the desktop computer monitors and laptop and
5 notebook computers sold to AT&T Mobility and AT&T. The computer OEMs passed on these
6 artificially-inflated prices for LCD Panels to AT&T Mobility and AT&T, causing AT&T
7 Mobility and AT&T to pay higher prices for the desktop computer monitors and laptop and
8 notebook computers than they would have paid in the absence of the defendants' conspiracy.

9 210. Once an LCD Panel leaves its place of manufacture, it remains essentially
10 unchanged as it moves through the distribution system. LCD Panels are identifiable, discreet
11 physical objects that do not change form or become an indistinguishable part of an LCD Product.
12 Thus, LCD Panels follow a physical chain from defendants through manufacturers of LCD
13 Products sold to AT&T Mobility and to AT&T.

14 211. The market for LCD Panels and the market for LCD Products are inextricably
15 linked and cannot be considered separately. Defendants are well aware of this intimate
16 relationship.

17 212. The LCD Product OEMs' demand for LCD Panels was relatively inelastic,
18 because there were no reasonable substitutes for LCD Panels to serve as the visual display for
19 products such as mobile wireless handsets, desktop computer monitors and laptop and notebook
20 computers. The other principal flat panel display technology, plasma, is too big, consumes too
21 much power and is too fragile to be of any practical application in mobile wireless handsets or
22 laptop or notebook computers. Other competing display technologies, such as OLED displays,
23 were not available during the Conspiracy Period and are only today becoming widely available.
24 In addition, throughout the Conspiracy Period, defendants controlled the market for LCD Panels.
25 Consequently, during the Conspiracy Period, the handset OEMs and computer OEMs had no
26 choice but to purchase LCD Panels from defendants and others at prices that were artificially
27 inflated, fixed, and stabilized by defendants' conspiracy.

1 213. As a result, AT&T Mobility and AT&T were injured in connection with their
2 purchases of LCD Products for internal use during the Conspiracy Period.

3 **IX. DEFENDANTS' CONCEALED THEIR CONSPIRACY TO FIX THE PRICE OF**
4 **LCD PANELS**

5 214. AT&T Mobility and AT&T did not discover and could not have discovered,
6 through the exercise of reasonable diligence, the existence of the conspiracy alleged herein until
7 after December of 2006, when the existence of investigations by the DOJ and other antitrust
8 regulators became public, because defendants and their co-conspirators actively and fraudulently
9 concealed the existence of their contract, combination or conspiracy. Because defendants'
10 agreement, understanding and conspiracy were kept secret, AT&T Mobility and AT&T were
11 unaware of defendants' unlawful conduct alleged herein and did not know that they were paying
12 artificially high prices for LCD Products.

13 215. The affirmative acts of defendants alleged herein, including acts in furtherance of
14 the conspiracy, were wrongfully concealed and carried out in a manner that precluded detection.

15 216. The affirmative acts of defendants and their co-conspirators alleged herein,
16 among others, including acts in furtherance of the conspiracy, were wrongfully concealed and
17 carried out in a manner that precluded detection. The conspirators knew their activities were
18 illegal.

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1 217. Therefore, the Defendants and their co-conspirators kept their conspiracy
2 communications strictly confidential. **REDACTED**

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10 218. By its very nature, defendants' price-fixing conspiracy was inherently self-
11 concealing. As alleged above, defendants had secret discussions about price and output.
12 Defendants agreed not to publicly discuss the existence or the nature of their agreement. During
13 these meetings, top executives and other officials attending these meetings were instructed on
14 more than one occasion not to disclose the fact of these meetings to outsiders, or even to other
15 employees of defendants not involved in LCD Panel pricing or production. In fact, the top
16 executives who attended the CEO and Commercial Crystal Meetings agreed to stagger their
17 arrivals and departures at such meetings to avoid being seen in public with each other and with
18 the express purpose and effect of keeping them secret. Moreover, when the participants in those
19 meetings became fearful that they might be subject to antitrust scrutiny, in approximately the
20 summer of 2006, they discontinued the Working Level meetings in favor of one-on-one meetings
21 to exchange pricing and supply information. The meetings were coordinated so that on the same
22 date, each competitor met one-on-one with the other in a "Round Robin" set of meetings until all
23 competitors had met with each other. These Round Robin meetings took place until at least
24 November or December of 2006. The information obtained at these meetings was transmitted up
25 the corporate reporting chain to permit defendants to maintain their price-fixing and production-
26 limitation agreement.

27 219. In addition, defendants repeatedly gave pretextual justifications for the inflated
28 prices of LCD Panels in furtherance of the conspiracy.

220. There have been a variety of other purportedly market-based explanations for price increases. The first was supply and demand. In early 1999, Omid Milani, a marketing manager for NEC, stated that “demand by far is outstripping our supply capability” and predicted that “prices will continue to increase until a reasonable balance is achieved.” Bock Kwon, Vice President of LG Philips’ Sales Division, and Yoon-Woo Lee, President and CEO of Samsung’s Semiconductor Division, also falsely reported in 1999 that price increases were due to “acute” shortages.

221. Another false rationale provided by defendants was undercapitalization. In 1999, Joel Pollack, a marketing manager for Sharp, stated:

Prices have dropped at a steady rate over the past couple of years to the point where it was difficult to continue the necessary level of capitalization. The [low prices] have starved the industry.

222. A third rationale for the steep price hikes of 1999 was offered by Yoon-Woo Lee, CEO of Samsung. He claimed that the demand for larger panels was reducing the industry’s capacity because each display used more square inches of motherglass substrate.

223. Increased demand was repeatedly cited by defendants throughout the Conspiracy Period. On February 4, 2001, Bruce Berkoff, Executive Vice-President at LG Philips was quoted in News.com as saying that price increases were due to shortages. He claimed, “demand grew so fast that the supply can’t keep up.” Koo Duk-Mo, an executive at LG Philips, similarly predicted in 1999 that prices would rise 10 to 15 percent due to increased demand for the holiday season. In 2005, Koo Duk-Mo of LG Philips stated “[w]e are seeing much stronger demand for large-size LCD TVs than expected, so LCD TV supply is likely to remain tight throughout the year.”

224. Hsu Jen-Ting, a Vice-President at Chi Mei, and Chen Shuen-Bin, president of AU Optronics, offered another rationale for the 2001 price hike in an interview for the Taiwan Economic News in October 2001. They blamed “component shortages due to the late expansion of 5th generation production lines and new demand from the replacement of traditional cathode ray tubes with LCD monitors.”

225. These explanations were all pretextual and each served to cover up the conspiracy. As a result of defendants' fraudulent concealment of their conspiracy, the running of any statute of limitations has been tolled with respect to AT&T Mobility's and AT&T's claims.

X. VIOLATIONS ALLEGED

First Claim for Relief
(Violation of Sherman Act Against All Defendants)

226. AT&T Mobility and AT&T incorporate and reallege, as though fully set forth herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

227. Beginning at a time presently unknown to AT&T Mobility and AT&T, but at least as early as January 1, 1996 and continuing through at least December 11, 2006, the exact dates being unknown to AT&T Mobility and AT&T, defendants and their co-conspirators entered into a continuing agreement, understanding, and conspiracy in restraint of trade to artificially raise, fix, maintain, and/or stabilize prices for LCD Panels in the United States, in violation of Section 1 of the Sherman Act, 15 U.S.C. §1.

228. In formulating and carrying out the alleged agreement, understanding, and conspiracy, defendants and their co-conspirators did those things that they combined and conspired to do, including but not limited to the acts, practices, and course of conduct set forth above, and the following, among others:

- a. To fix, raise, maintain and stabilize the price of LCD Panels;
- b. To allocate markets for LCD Panels among themselves;
- c. To submit rigged bids for the award and performance of certain LCD Panels contracts; and
- d. To allocate among themselves the production of LCD Panels.

229. The combination and conspiracy alleged herein has had the following effects, among others:

- a. Price competition in the sale of LCD Panels has been restrained, suppressed, and/or eliminated in the United States;

- b. Prices for LCD Panels sold by defendants, their co-conspirators, and others have been fixed, raised, maintained and stabilized at artificially high, supra-competitive levels throughout the United States; and
- c. Those who purchased LCD Panels produced by defendants, their co-conspirators, and others have been deprived of the benefits of free and open competition.

230. AT&T Mobility has been injured in its business and property by being forced to pay more for the mobile wireless handsets it purchased from defendants and their co-conspirators than it would have paid in the absence of defendants' conspiracy.

231. Defendants' and their co-conspirators' conduct involved U.S. import trade or commerce and/or had a direct, substantial, and reasonably foreseeable effect on U.S. domestic and import trade or commerce that resulted in the injuries suffered by AT&T Mobility and gave rise to AT&T Mobility's antitrust claims. As a result, AT&T Mobility suffered injury as a direct, proximate, and reasonably foreseeable result of defendants' conspiracy to fix the price of LCD Panels and are entitled to damages under Section 4 of the Clayton Act, 15 U.S.C. § 15, for their purchases of LCD Products containing LCD Panels sold by defendants, their coconspirators, and others.

232. Because defendants all continue to manufacture LCD Panels, the market for production and sale of LCD Panels remains highly concentrated and susceptible to collusion, defendants continue to have the incentive to collude to increase LCD Panel prices or stabilize LCD Panel price declines, defendants' conspiracy to fix the price of LCD Panels could be easily repeated and concealed from AT&T Mobility and AT&T, AT&T Mobility and AT&T both face a serious risk of future injury, and are thus entitled to an injunction under Section 16 of the Clayton Act, 15 U.S.C. § 26 against all defendants, preventing and restraining the violations alleged herein.

Second Claim for Relief
(Violation of State Antitrust and Unfair Competition Laws)

233. AT&T Mobility and AT&T incorporate and reallege, as though fully set forth herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

234. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of the California Business and Professions Code § 16750(a), *et seq.* (the “Cartwright Act”):

235. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in California. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in California through its corporate-owned retail stores, through independent retailers located in California, and through its website on the Internet. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and other customers in California through both its own sales force and independent sales agents. In addition, AT&T Mobility maintained in California inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and operating retail stores in California.

236. AT&T, including Pacific Bell Telephone Company, provided a variety of wireline telecommunications services to residents, businesses and government customers in California. As a result of their presence in California and the substantial business they conduct in California, AT&T Mobility and AT&T are entitled to the protection of the laws of California.

237. During the Conspiracy Period, AT&T Mobility purchased in California LCD Products, including desktop monitors and notebook computers, containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants’ price fixing conspiracy. During the Conspiracy Period, Pacific Bell Telephone Company, AT&T Operations, Inc., AT&T Services, Inc., AT&T Datacomm, Inc., and AT&T Corp. purchased in California LCD Products, including desktop monitors and notebook computers, containing LCD

1 Panels manufactured by defendants and sold at artificially-inflated prices because of defendants'
2 price fixing conspiracy.

3 238. Defendants engaged and participated in the conspiracy through their offices and
4 operations in California. Defendants LG Display, Chunghwa and Sharp all admitted in their plea
5 agreements that acts in furtherance of their conspiracy to fix the price of LCD Panels were
6 carried out in California. Defendants AU Optronics, Chi Mei, Epson, LG Display, Samsung and
7 Toshiba all maintained offices in California during the Conspiracy Period. Employees at
8 defendants' locations in California participated in meetings and engaged in bilateral
9 communications in California and intended and did carry out defendants' anticompetitive
10 agreement to fix the price of LCD Panels. Defendants also participated in the conspiracy in the
11 U.S. through their California offices by providing information obtained through meetings with
12 other defendants to employees in their California offices for those California employees to use in
13 the course of fixing prices in negotiations with U.S. customers, including manufacturers of
14 mobile wireless handsets that were purchased by AT&T Mobility in the United States.
15 Defendants' conduct within California thus injured AT&T Mobility and AT&T both in
16 California and throughout the United States.

17 239. Beginning at a time presently unknown to AT&T Mobility and AT&T, but at least
18 as early as January 1, 1996, and continuing thereafter at least up to and including at least
19 December 11, 2006, defendants and their co-conspirators entered into and engaged in a
20 continuing unlawful trust in restraint of the trade and commerce described above in violation of
21 the Cartwright Act, California Business and Professional Code Section 16720. Defendants have
22 each acted in violation of Section 16720 to fix, raise, stabilize and maintain prices of, and
23 allocate markets for, LCD Panels at supra-competitive levels. Defendants' conduct substantially
24 affected California commerce.

25 240. The aforesaid violations of Section 16720, California Business and Professions
26 Code, consisted, without limitation, of a continuing unlawful trust and concert of action among
27 defendants and their co-conspirators, the substantial terms of which were to fix, raise, maintain
28 and stabilize the prices of, and to allocate markets for, LCD Panels.

241. For the purpose of forming and effectuating the unlawful trust, defendants and their co-conspirators have done those things which they combined and conspired to do, including but in no way limited to the acts, practices and course of conduct set forth above and the following:

- a. to fix, raise, maintain and stabilize the price of LCD Panels;
- b. to allocate markets for LCD Panels amongst themselves;
- c. to submit rigged bids for the award and performance of certain LCD Panels contracts; and
- d. to allocate among themselves the production of LCD Panels.

242. The combination and conspiracy alleged herein has had, inter alia, the following effects:

- a. price competition in the sale of LCD Panels has been restrained, suppressed and/or eliminated in the State of California;
- b. prices for LCD Panels sold by defendants, their co-conspirators, and others have been fixed, raised, maintained and stabilized at artificially high, non-competitive levels in the State of California; and
- c. those who purchased LCD Panels from defendants, their co-conspirators, and others and LCD Products containing LCD Panels from defendants, their co-conspirators, and others have been deprived of the benefit of free and open competition.

243. As a result of the alleged conduct of defendants, AT&T Mobility and AT&T paid supra-competitive, artificially inflated prices for the LCD Products they purchased during the Conspiracy Period.

244. As a direct and proximate result of defendants' conduct, AT&T Mobility and AT&T have been injured in their business and property by paying more for LCD Products purchased in California from defendants, their coconspirators, and others than they would have paid in the absence of defendants' combination and conspiracy. As a result of defendants' violation of Section 16720 of the California Business and Professions Code, AT&T Mobility,

and AT&T are entitled to treble damages and the costs of suit, including reasonable attorneys' fees, pursuant to Section 16750(a) of the California Business and Professions Code.

245. By reason of the foregoing, defendants have also engaged in unfair competition in violation of California's Unfair Competition Law, California Business and Professional Code § 17200 et seq.

- a. Defendants committed acts of unfair competition, as defined by Section 17200, *et seq.*, by engaging in a conspiracy to fix and stabilize the price of LCD Panels as described above;
- b. The acts, omissions, misrepresentations, practices and non-disclosures of defendants, as described above, constitute a common and continuing course of conduct of unfair competition by means of unfair, unlawful and/or fraudulent business acts or practices with the meaning of Section 17200, *et seq.*, including, but not limited to (1) violation of Section 1 of the Sherman Act; (2) violation of the Cartwright Act;
- c. Defendants' acts, omissions, misrepresentations, practices and non-disclosures are unfair, unconscionable, unlawful and/or fraudulent independently of whether they constitute a violation of the Sherman Act or the Cartwright Act;
- d. Defendants' acts or practices are fraudulent or deceptive within the meaning of Section 17200, *et seq.*;
- e. Defendants' conduct was carried out, effectuated, and perfected within the state of California. Defendants LG Display, Chunghwa and Sharp all admitted that acts in furtherance of the conspiracy to fix the price of LCD Panels were carried out in California. Defendants also maintained offices in California where their employees engaged in communications, meetings and other activities in furtherance of defendants' conspiracy;
- f. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in California. AT&T Mobility provided

1 wireless communication services and sold mobile wireless handsets
2 containing LCD Panels to customers in California at its corporate-owned
3 retail stores and through its website on the Internet. AT&T Mobility also
4 sold mobile wireless handsets to independent agents and retailers located
5 in California. AT&T Mobility also provided wireless communication
6 services and sold mobile wireless handsets directly to business,
7 government and other customers in California. In addition, AT&T
8 Mobility maintained in California inventories of mobile wireless handsets
9 containing LCD Panels manufactured and sold by defendants, their co-
10 conspirators, and others, and operated offices and retail stores in
11 California. Pacific Bell Telephone Company provided various wireline
12 telecommunications services to residents, businesses and government
13 customers in California, where AT&T employees used notebook
14 computers and desktop monitors purchased by AT&T. As a result of their
15 presence in California and the substantial business they conduct in
16 California, AT&T Mobility and AT&T are entitled to the protection of the
17 laws of California; and,

18 g. By reason of the foregoing, AT&T Mobility and AT&T are entitled to full
19 restitution and/or disgorgement of all revenues, earnings, profits,
20 compensation, and benefits that may have been obtained by defendants as
21 result of such business acts and practices described above.

22 246. By reason of the foregoing, defendants have entered into agreements in restraint
23 of trade in violation of Tennessee Code §§ 47-25-101 *et seq.*

24 a. Defendants' conspiracy restrained, suppressed and/or eliminated
25 competition in the sale of LCD Panels in Tennessee and fixed, raised,
26 maintained and stabilized LCD Panel prices in Tennessee at artificially
27 high, non-competitive levels;
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- 1 b. As a result, defendants' conspiracy substantially affected Tennessee
- 2 commerce;
- 3 c. During the Conspiracy Period, beginning in 2001, AT&T Mobility
- 4 purchased mobile wireless handsets containing LCD Panels manufactured
- 5 by defendants and sold at artificially-inflated prices because of
- 6 defendants' price fixing conspiracy. AT&T Mobility purchased such
- 7 handsets in Tennessee, where it received mobile wireless handsets shipped
- 8 to Tennessee by AT&T Mobility's handset vendors. AT&T Mobility also
- 9 purchased LCD products at its offices and facilities in Tennessee,
- 10 including desktop monitors and notebook computers containing LCD
- 11 Panels manufactured by defendants and sold at artificially-inflated prices
- 12 because of defendants' price fixing conspiracy. In addition, BellSouth
- 13 Telecommunications, Inc. purchased at its offices and facilities in
- 14 Tennessee LCD Products, including desktop monitors and notebook
- 15 computers, containing LCD Panels manufactured by defendants and sold
- 16 at artificially-inflated prices because of defendants' price fixing
- 17 conspiracy.
- 18 d. AT&T Mobility and AT&T conducted a substantial volume of business in
- 19 Tennessee. AT&T Mobility provided wireless communication services
- 20 and sold mobile wireless handsets containing LCD Panels to customers in
- 21 Tennessee at its corporate-owned retail stores and through its website on
- 22 the Internet. AT&T Mobility also sold mobile wireless handsets to
- 23 independent agents and retailers in Tennessee. AT&T Mobility also
- 24 provided wireless communication services and sold mobile wireless
- 25 handsets directly to business, government and other customers in
- 26 Tennessee. AT&T Mobility also operated offices and retail stores in
- 27 Tennessee. During the Conspiracy Period, AT&T provided various
- 28 wireline telecommunications services to residential customers, businesses

and government customers in Tennessee, where employees used notebook computers and desktop monitors purchased by BellSouth Telecommunications, Inc.. As a result of their presence in Tennessee and the substantial business they conduct in Tennessee, AT&T Mobility and AT&T are entitled to the protection of the laws of Tennessee; and,

- e. As a direct and proximate result of defendants' conduct, AT&T Mobility and BellSouth Telecommunications, Inc. have been injured in their business and property by paying more for LCD Products purchased in Tennessee from defendants, their coconspirators and others than they would have paid in the absence of defendants' combination and conspiracy, and are entitled to relief under Tennessee Code §§ 47-25-101 *et seq.*

247. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of Arizona Revised Stat. §§44-1401 *et seq.*:

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Arizona and fixed, raised, maintained and stabilized LCD Panel prices in Arizona at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected Arizona commerce;
- c. During the Conspiracy Period, AT&T Mobility and AT&T Corp. purchased at their offices and facilities in Arizona LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in Arizona. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in Arizona at its corporate-owned

1 retail stores and through its website on the Internet. AT&T Mobility also
2 sold mobile wireless handsets to independent agents and retailers in
3 Arizona. AT&T Mobility also provided wireless communication services
4 and sold mobile wireless handsets directly to business, government and
5 other customers in Arizona. In addition, AT&T Mobility maintained in
6 Arizona inventories of mobile wireless handsets containing LCD Panels
7 manufactured and sold by defendants, their co-conspirators, and others,
8 and operated offices and retail stores in Arizona. During the Conspiracy
9 Period, AT&T provided various wireline telecommunications services to
10 businesses and government customers in Arizona, where employees used
11 notebook computers and desktop monitors purchased by AT&T Corp. As
12 a result of their presence in Arizona and the substantial business they
13 conduct in Arizona, AT&T Mobility and AT&T are entitled to the
14 protection of the laws of Arizona; and,

- 15 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
16 and AT&T Corp. have been injured in their business and property by
17 paying more for LCD Products purchased in Arizona defendants, their co-
18 conspirators and others than they would have paid in the absence of
19 defendants' combination and conspiracy, and are entitled to relief under
20 Ariz. Rev. Stat. §§ 44-1401, *et seq.*

21 248. By reason of the foregoing, defendants have entered into agreements in restraint
22 of trade in violation of District of Columbia Code Ann. §§28-4501 *et seq.*

- 23 a. Defendants' conspiracy restrained, suppressed and/or eliminated
24 competition in the sale of LCD Panels in the District of Columbia and
25 fixed, raised, maintained and stabilized LCD Panel prices in the District of
26 Columbia at artificially high, non-competitive levels;
27 b. As a result, defendants' conspiracy substantially affected District of
28 Columbia commerce;

1 c. During the Conspiracy Period, AT&T Mobility and AT&T Corp.
2 purchased at their offices and facilities in the District of Columbia LCD
3 Products containing LCD Panels manufactured by defendants and sold at
4 artificially-inflated prices because of defendants' price fixing conspiracy.

5 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
6 substantial volume of business in the District of Columbia. AT&T
7 Mobility provided wireless communication services and sold mobile
8 wireless handsets containing LCD Panels to customers in the District of
9 Columbia at its corporate-owned retail stores and through its website on
10 the Internet. AT&T Mobility also sold mobile wireless handsets to
11 independent agents and retailers in the District of Columbia. AT&T
12 Mobility also provided wireless communication services and sold mobile
13 wireless handsets directly to business, government and other customers in
14 the District of Columbia. In addition, AT&T Mobility maintained in the
15 District of Columbia inventories of mobile wireless handsets containing
16 LCD Panels manufactured and sold by defendants, their co-conspirators,
17 and others, and operated offices and retail stores in the District of
18 Columbia. AT&T provided various wireline telecommunications services
19 to businesses and government customers in the District of Columbia,
20 where AT&T employees used notebook computers and desktop monitors
21 purchased by AT&T. As a result of their presence in the District of
22 Columbia and the substantial business they conduct in the District of
23 Columbia, AT&T Mobility and AT&T are entitled to the protection of the
24 laws of the District of Columbia; and,

25 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
26 and AT&T Corp. have been injured in their business and property by
27 paying more for LCD Products purchased in the District of Columbia from
28 defendants, their coconspirators and others than they would have paid in

the absence of defendants' combination and conspiracy, and are entitled to relief under District of Columbia Code Ann. §§ 28-4501, *et seq.*

249. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of the Illinois Antitrust Act, 740 Illinois Code 10/1 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Illinois and fixed, raised, maintained and stabilized LCD Panel prices in Illinois at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected Illinois commerce;
- c. During the Conspiracy Period, AT&T Mobility purchased mobile wireless handsets containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy. AT&T Mobility purchased such handsets in Illinois, where it received mobile wireless handsets shipped by AT&T Mobility's handset vendors. AT&T Mobility, AT&T Services, Inc., AT&T Datacomm Inc., AT&T Operations, Inc. and AT&T Corp. purchased at their offices and facilities in Illinois LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in Illinois. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in Illinois at its corporate-owned retail stores and through its website on the Internet. AT&T Mobility also sold mobile wireless handsets to independent agents and retailers in Illinois. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and

1 other customers in Illinois. In addition, AT&T Mobility maintained in
2 Illinois inventories of mobile wireless handsets containing LCD Panels
3 manufactured and sold by defendants, their co-conspirators, and others,
4 and operated offices and retail stores in Illinois. During the Conspiracy
5 Period, AT&T provided various wireline telecommunications services to
6 residential customers as well as businesses and government customers in
7 Illinois, where AT&T employees used notebook computers and desktop
8 monitors purchased by AT&T. As a result of their presence in Illinois and
9 the substantial business they conduct in Illinois, AT&T Mobility and
10 AT&T are entitled to the protection of the laws of Illinois; and,

11 e. As a direct and proximate result of defendants' conduct, AT&T Mobility,
12 AT&T Services, Inc., AT&T Datacomm, Inc., AT&T Operations, Inc. and
13 AT&T Corp. have been injured in their business and property by paying
14 more for LCD Products purchased in Illinois from defendants, their co-
15 conspirators and others than they would have paid in the absence of
16 defendants' combination and conspiracy, and are entitled to relief under
17 the Illinois Antitrust Act.

18 250. By reason of the foregoing, defendants have entered into agreements in restraint
19 of trade in violation of Iowa Code §§553.1 *et seq.*

- 20 a. Defendants' conspiracy restrained, suppressed and/or eliminated
21 competition in the sale of LCD Panels in Iowa and fixed, raised,
22 maintained and stabilized LCD Panel prices in Iowa at artificially high,
23 non-competitive levels;
- 24 b. As a result, defendants' conspiracy substantially affected Iowa commerce;
- 25 c. AT&T Mobility purchased at its offices and facilities in Iowa LCD
26 Products containing LCD Panels manufactured by defendants and sold at
27 artificially-inflated prices because of defendants' price fixing conspiracy.
28

1 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
2 substantial volume of business in Iowa. AT&T Mobility provided
3 wireless communication services and sold mobile wireless handsets
4 containing LCD Panels to customers in Iowa through its corporate-owned
5 retail stores, through independent retailers located in Iowa, and through its
6 website on the Internet. AT&T Mobility also provided wireless
7 communication services and sold mobile wireless handsets directly to
8 business, government and other customers in Iowa through both its own
9 sales force and independent sales agents. In addition, AT&T Mobility
10 maintained in Iowa inventories of mobile wireless handsets containing
11 LCD Panels manufactured and sold by defendants, their co-conspirators,
12 and others, and operated offices and retail stores in Iowa. During the
13 Conspiracy Period, AT&T provided various wireline telecommunications
14 services to businesses and government customers in Iowa, where AT&T
15 employees used notebook computers and desktop monitors purchased by
16 AT&T. As a result of their presence in Arizona and the substantial
17 business they conduct in Iowa, AT&T Mobility and AT&T are entitled to
18 the protection of the laws of Iowa;

19 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
20 has been injured in its business and property by paying more for LCD
21 Products purchased from defendants, their coconspirators and others than
22 it would have paid in the absence of defendants' combination and
23 conspiracy, and is entitled to relief under Iowa Code §§ 553.1 *et seq.*

24 251. By reason of the foregoing, defendants have entered into agreements in restraint
25 of trade in violation of Kansas Stat. Ann. §§50-101 *et seq.*

26 a. Defendants' conspiracy restrained, suppressed and/or eliminated
27 competition in the sale of LCD Panels in Kansas and fixed, raised,
28

maintained and stabilized LCD Panel prices in Kansas at artificially high, non-competitive levels;

b. As a result, defendants' conspiracy substantially affected Kansas commerce;

c. During the Conspiracy Period, AT&T Mobility, AT&T Services, Inc., AT&T Datacomm, Inc., AT&T Operations, Inc., AT&T Corp., and Southwestern Bell Telephone Company purchased at their offices and facilities in Kansas LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.

d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in Kansas. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in Kansas at its corporate-owned retail stores and through its website on the Internet. AT&T Mobility also sold mobile wireless handsets to independent agents and retailers in Kansas. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and other customers in Kansas. In addition, AT&T Mobility maintained in Kansas inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and retail stores in Kansas. During the Conspiracy Period, AT&T provided various wireline telecommunications services to residential customers as well as businesses and government customers in Kansas, where AT&T employees used notebook computers and desktop monitors purchased by AT&T. As a result of their presence in Kansas and the substantial business they conduct in Kansas, AT&T Mobility and AT&T are entitled to the protection of the laws of Kansas; and,

e. As a direct and proximate result of defendants' conduct, AT&T Mobility, AT&T Corp., AT&T Services, Inc., AT&T Operations, Inc., AT&T Datacomm, Inc., and Southwestern Bell Telephone Company have been injured in their business and property by paying more for LCD Products purchased in Kansas from defendants, their coconspirators and others than they would have paid in the absence of defendants' combination and conspiracy, and are entitled to relief under Kansas Stat. Ann. §§50-101 *et seq.*

252. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of Maine Rev. Stat. Ann. 10, §§1101 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Maine and fixed, raised, maintained and stabilized LCD Panel prices in Maine at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected Maine commerce;
- c. AT&T Mobility purchased at its offices and facilities in Maine LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in Maine. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in Maine through its corporate-owned retail stores, through independent retailers located in Maine, and through its website on the Internet. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and other customers in Maine through both its own sales force and independent sales agents. In addition, AT&T

Mobility maintained in Maine inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and retail stores in Maine. During the Conspiracy Period, AT&T provided various wireline telecommunications services to businesses and government customers in Maine, where AT&T employees used notebook computers and desktop monitors purchased by AT&T. As a result of their presence in Maine and the substantial business they conduct in Maine, AT&T Mobility and AT&T are entitled to the protection of the laws of Maine; and,

- e. As a direct and proximate result of defendants' conduct, AT&T Mobility has been injured in its business and property by paying more for LCD Products purchased from defendants, their coconspirators and others than it would have paid in the absence of defendants' combination and conspiracy, and is entitled to relief under Maine Rev. Stat. Ann. 10, §§1101 *et seq.*

253. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of Michigan Comp. Laws. Ann. §§ 445.771 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Michigan and fixed, raised, maintained and stabilized LCD Panel prices in Michigan at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected Michigan commerce;
- c. During the Conspiracy Period, AT&T Mobility, AT&T Services, Inc., AT&T Operations, Inc., and AT&T Datacomm, Inc. purchased at their offices and facilities in Michigan LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.

1 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
2 substantial volume of business in Michigan. AT&T Mobility provided
3 wireless communication services and sold mobile wireless handsets
4 containing LCD Panels to customers in Michigan at its corporate-owned
5 retail stores and through its website on the Internet. AT&T Mobility also
6 sold mobile wireless handsets to independent agents and retailers in
7 Michigan. AT&T Mobility also provided wireless communication
8 services and sold mobile wireless handsets directly to business,
9 government and other customers in Michigan. In addition, AT&T
10 Mobility maintained in Michigan inventories of mobile wireless handsets
11 containing LCD Panels manufactured and sold by defendants, their co-
12 conspirators, and others, and operated offices and retail stores in
13 Michigan. During the Conspiracy Period, AT&T provided various
14 wireline telecommunications services to residential customers, businesses
15 and government customers in Michigan, where AT&T employees used
16 notebook computers and desktop monitors purchased by AT&T. As a
17 result of their presence in Michigan and the substantial business they
18 conduct in Michigan, AT&T Mobility and AT&T are entitled to the
19 protection of the laws of Michigan; and,

20 e. As a direct and proximate result of defendants' conduct, AT&T Mobility,
21 AT&T Services, Inc., AT&T Operations, Inc., and AT&T Datacomm, Inc.
22 have been injured in their business and property by paying more for LCD
23 Products purchased in Michigan from defendants, their coconspirators and
24 others than they would have paid in the absence of defendants'
25 combination and conspiracy, and are entitled to relief under Michigan
26 Comp. Laws. Ann. §§ 445.771 *et seq.*

27 254. By reason of the foregoing, defendants have entered into agreements in restraint
28 of trade in violation of Minnesota Stat. §§ 325D.50 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Minnesota and fixed, raised, maintained and stabilized LCD Panel prices in Minnesota at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected Minnesota commerce;
- c. AT&T Mobility purchased at its offices and facilities in Minnesota LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in Minnesota. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in Minnesota through its corporate-owned retail stores, through independent retailers located in Minnesota, and through its website on the Internet. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and other customers in Minnesota through both its own sales force and independent sales agents. In addition, AT&T Mobility maintained in Minnesota inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and retail stores in Minnesota. During the Conspiracy Period, AT&T provided various wireline telecommunications services to businesses and government customers in Minnesota, where AT&T employees used notebook computers and desktop monitors purchased by AT&T. As a result of their presence in Minnesota and the substantial business they conduct in Minnesota, AT&T Mobility and AT&T are entitled to the protection of the laws of Minnesota; and,

e. As a direct and proximate result of defendants' conduct, AT&T Mobility has been injured in its business and property by paying more for LCD Products purchased from defendants, their coconspirators and others than it would have paid in the absence of defendants' combination and conspiracy, and is entitled to relief under Minnesota Stat. §§ 325D.50 *et seq.*

255. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of Mississippi Code Ann. §§ 75-21-1 *et seq.*

a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Mississippi and fixed, raised, maintained and stabilized LCD Panel prices in Mississippi at artificially high, non-competitive levels;

b. As a result, defendants' conspiracy substantially affected Mississippi commerce;

c. During the Conspiracy Period, AT&T Mobility and BellSouth Telecommunications, Inc. purchased at their offices and facilities in Mississippi LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.

d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in Mississippi. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in Mississippi at its corporate-owned retail stores and through its website on the Internet. AT&T Mobility also sold mobile wireless handsets to independent agents and retailers in Mississippi. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and other customers in Mississippi. In addition, AT&T

Mobility maintained in Mississippi inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and retail stores in Mississippi. During the Conspiracy Period, AT&T provided various wireline telecommunications services to residential customers, businesses and government customers in Mississippi, where AT&T employees used notebook computers and desktop monitors purchased by AT&T. As a result of their presence in Mississippi and the substantial business they conduct in Mississippi, AT&T Mobility and AT&T are entitled to the protection of the laws of Mississippi; and,

- e. As a direct and proximate result of defendants' conduct, AT&T Mobility and BellSouth Telecommunications, Inc. have been injured in their business and property by paying more for LCD Products purchased in Mississippi from defendants, their coconspirators and others than they would have paid in the absence of defendants' combination and conspiracy, and are entitled to relief under Mississippi Code Ann. §§ 75-21-1 *et seq.*

256. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of Nebraska Rev. Stat. §§ 59-801 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in Nebraska and fixed, raised, maintained and stabilized LCD Panel prices in Nebraska at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected Nebraska commerce;
- c. AT&T Mobility purchased at its offices and facilities in Nebraska LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.

1 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
2 substantial volume of business in Nebraska. AT&T Mobility provided
3 wireless communication services and sold mobile wireless handsets
4 containing LCD Panels to customers in Nebraska through its corporate-
5 owned retail stores, through independent retailers located in Nebraska, and
6 through its website on the Internet. AT&T Mobility also provided
7 wireless communication services and sold mobile wireless handsets
8 directly to business, government and other customers in Nebraska through
9 both its own sales force and independent sales agents. In addition, AT&T
10 Mobility maintained in Nebraska inventories of mobile wireless handsets
11 containing LCD Panels manufactured and sold by defendants, their co-
12 conspirators, and others, and operated offices and retail stores in
13 Nebraska. During the Conspiracy Period, AT&T provided various
14 wireline telecommunications services to businesses and government
15 customers in Nebraska, where AT&T employees used notebook
16 computers and desktop monitors purchased by AT&T. As a result of their
17 presence in Nebraska and the substantial business they conduct in
18 Nebraska, AT&T Mobility and AT&T are entitled to the protection of the
19 laws of Nebraska; and,

20 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
21 has been injured in its business and property by paying more for LCD
22 Products purchased from defendants, their coconspirators and others than
23 it would have paid in the absence of defendants' combination and
24 conspiracy, and is entitled to relief under Nebraska Stat. §§ 59-801 *et seq.*

25 257. By reason of the foregoing, defendants have entered into agreements in restraint
26 of trade in violation of Nevada Rev. Stat. Ann. §§ 598A *et seq.*

27 a. Defendants' conspiracy restrained, suppressed and/or eliminated
28 competition in the sale of LCD Panels in Nevada and fixed, raised,

1 maintained and stabilized LCD Panel prices in Nevada at artificially high,
2 non-competitive levels;

3 b. As a result, defendants' conspiracy substantially affected Nevada
4 commerce;

5 c. During the Conspiracy Period, AT&T Mobility, AT&T Services, Inc.,
6 AT&T Operations, Inc., AT&T DataComm, Inc., and Pacific Bell
7 Telephone Company purchased at their offices and facilities in Nevada
8 LCD Products containing LCD Panels manufactured by defendants and
9 sold at artificially-inflated prices because of defendants' price fixing
10 conspiracy.

11 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
12 substantial volume of business in Nevada. AT&T Mobility provided
13 wireless communication services and sold mobile wireless handsets
14 containing LCD Panels to customers in Nevada at its corporate-owned
15 retail stores and through its website on the Internet. AT&T Mobility also
16 sold mobile wireless handsets to independent agents and retailers in
17 Nevada. AT&T Mobility also provided wireless communication services
18 and sold mobile wireless handsets directly to business, government and
19 other customers in Nevada. In addition, AT&T Mobility maintained in
20 Nevada inventories of mobile wireless handsets containing LCD Panels
21 manufactured and sold by defendants, their co-conspirators, and others,
22 and operated offices and retail stores in Nevada. During the Conspiracy
23 Period, AT&T provided various wireline telecommunications services to
24 residential customers, businesses and government customers in Nevada,
25 where AT&T employees used notebook computers and desktop monitors
26 purchased by AT&T. Nevada Bell, a wholly-owned subsidiary of the
27 AT&T companies, provided a variety of telecommunications services to a
28 substantial portion of the population of Nevada. As a result of their

presence in Nevada and the substantial business they conduct in Nevada, AT&T Mobility and AT&T are entitled to the protection of the laws of Nevada; and,

e. As a direct and proximate result of defendants' conduct, AT&T Mobility, AT&T Services, Inc., AT&T Operations, Inc., AT&T DataComm, Inc. and Pacific Bell Telephone Company have been injured in their business and property by paying more for LCD Products purchased in Nevada from defendants, their coconspirators and others than they would have paid in the absence of defendants' combination and conspiracy, and are entitled to relief under Nevada Rev. Stat. Ann. §§ 598A *et seq.*

258. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of New Mexico Stat. Ann. §§ 57-1-1 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in New Mexico and fixed, raised, maintained and stabilized LCD Panel prices in New Mexico at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected New Mexico commerce;
- c. During the Conspiracy Period, AT&T Mobility and AT&T Corp. purchased at their offices and facilities in New Mexico LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in New Mexico. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in New Mexico at its corporate-owned retail stores and through its website on the Internet. AT&T Mobility also sold mobile wireless handsets to independent agents and

1 retailers in New Mexico. AT&T Mobility also provided wireless
2 communication services and sold mobile wireless handsets directly to
3 business, government and other customers in New Mexico. In addition,
4 AT&T Mobility maintained in New Mexico inventories of mobile wireless
5 handsets containing LCD Panels manufactured and sold by defendants,
6 their co-conspirators, and others, and operated offices and retail stores in
7 New Mexico. During the Conspiracy Period, AT&T provided various
8 wireline telecommunications services to businesses and government
9 customers in New Mexico, where AT&T employees used notebook
10 computers and desktop monitors purchased by AT&T. As a result of their
11 presence in New Mexico and the substantial business they conduct in New
12 Mexico, AT&T Mobility and AT&T are entitled to the protection of the
13 laws of New Mexico; and,

14 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
15 and AT&T Corp. have been injured in their business and property by
16 paying more for LCD Products purchased in New Mexico from
17 defendants, their coconspirators and others than they would have paid in
18 the absence of defendants' combination and conspiracy, and are entitled to
19 relief under New Mexico Stat. Ann. §§ 57-1-1 *et seq.*

20 259. By reason of the foregoing, defendants have entered into agreements in restraint
21 of trade in violation of New York General Business Law §§ 340 *et seq.*

22 a. Defendants' conspiracy restrained, suppressed and/or eliminated
23 competition in the sale of LCD Panels in New York and fixed, raised,
24 maintained and stabilized LCD Panel prices in New York at artificially
25 high, non-competitive levels;

26 b. As a result, defendants' conspiracy substantially affected New York
27 commerce;
28

1 c. During the Conspiracy Period, AT&T Mobility purchased mobile wireless
2 handsets containing LCD Panels manufactured by defendants and sold at
3 artificially-inflated prices because of defendants' price fixing conspiracy.
4 AT&T Mobility purchased such handsets in New York, where it received
5 mobile wireless handsets shipped by AT&T Mobility's handset vendors.
6 AT&T Mobility and AT&T Corp. purchased at their offices and facilities
7 in New York LCD Products containing LCD Panels manufactured by
8 defendants and sold at artificially-inflated prices because of defendants'
9 price-fixing conspiracy.

10 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
11 substantial volume of business in New York. AT&T Mobility provided
12 wireless communication services and sold mobile wireless handsets
13 containing LCD Panels to customers in New York at its corporate-owned
14 retail stores and through its website on the Internet. AT&T Mobility also
15 sold mobile wireless handsets to independent agents and retailers in New
16 York. AT&T New York also provided wireless communication services
17 and sold mobile wireless handsets directly to business, government and
18 other customers in New York. In addition, AT&T Mobility maintained in
19 New York inventories of mobile wireless handsets containing LCD Panels
20 manufactured and sold by defendants, their co-conspirators, and others,
21 and operated offices and retail stores in New York. During the
22 Conspiracy Period, AT&T provided various wireline telecommunications
23 services to businesses and government customers in New York, where
24 AT&T employees used notebook computers and desktop monitors
25 purchased by AT&T. AT As a result of their presence in New York and
26 the substantial business they conduct in New York, AT&T Mobility and
27 AT&T are entitled to the protection of the laws of New York; and,
28

1 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
2 and AT&T Corp. have been injured in their business and property by
3 paying more for LCD Products purchased in New York from defendants,
4 their coconspirators and others than they would have paid in the absence
5 of defendants' combination and conspiracy, and are entitled to relief under
6 New York General Business Law §§ 340 *et seq.*

7 260. By reason of the foregoing, defendants have entered into agreements in restraint
8 of trade in violation of North Carolina Gen. Stat. §§ 75-1 *et seq.*

9 a. Defendants' conspiracy restrained, suppressed and/or eliminated
10 competition in the sale of LCD Panels in North Carolina and fixed, raised,
11 maintained and stabilized LCD Panel prices in North Carolina at
12 artificially high, non-competitive levels;

13 b. As a result, defendants' conspiracy substantially affected North Carolina
14 commerce;

15 c. During the Conspiracy Period, AT&T Mobility, AT&T Corp. and
16 BellSouth Telecommunications Inc. purchased at their offices and
17 facilities in North Carolina LCD Products containing LCD Panels
18 manufactured by defendants and sold at artificially-inflated prices because
19 of defendants' price fixing conspiracy.

20 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
21 substantial volume of business in North Carolina. AT&T Mobility
22 provided wireless communication services and sold mobile wireless
23 handsets containing LCD Panels to customers in North Carolina at its
24 corporate-owned retail stores and through its website on the Internet.
25 AT&T Mobility also sold mobile wireless handsets to independent agents
26 and retailers in North Carolina. AT&T Mobility also provided wireless
27 communication services and sold mobile wireless handsets directly to
28 business, government and other customers in North Carolina. In addition,

AT&T Mobility maintained in North Carolina inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and retail stores in North Carolina. During the Conspiracy Period, AT&T provided various wireline telecommunications services to residential customers, businesses and government customers in North Carolina, where AT&T employees used notebook computers and desktop monitors purchased by AT&T. As a result of their presence in North Carolina and the substantial business they conduct in North Carolina, AT&T Mobility and AT&T are entitled to the protection of the laws of North Carolina; and,

- e. As a direct and proximate result of defendants' conduct, AT&T Mobility, AT&T Corp. and BellSouth Communications, Inc. have been injured in their business and property by paying more for LCD Products purchased in North Carolina from defendants, their coconspirators and others than they would have paid in the absence of defendants' combination and conspiracy, and are entitled to relief under North Carolina Gen. Stat. §§ 75-1 *et seq.*

261. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of North Dakota Cent. Code §§ 51-08.1-01 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in North Dakota and fixed, raised, maintained and stabilized LCD Panel prices in North Dakota at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected North Dakota commerce;
- c. AT&T Mobility purchased at its offices and facilities in North Dakota LCD Products containing LCD Panels manufactured by defendants and

1 sold at artificially-inflated prices because of defendants' price fixing
2 conspiracy.

3 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
4 substantial volume of business in North Dakota. AT&T Mobility
5 provided wireless communication services and sold mobile wireless
6 handsets containing LCD Panels to customers in North Dakota through its
7 corporate-owned retail stores, through independent retailers located in
8 North Dakota, and through its website on the Internet. AT&T Mobility
9 also provided wireless communication services and sold mobile wireless
10 handsets directly to business, government and other customers in North
11 Dakota through both its own sales force and independent sales agents. In
12 addition, AT&T Mobility maintained in North Dakota inventories of
13 mobile wireless handsets containing LCD Panels manufactured and sold
14 by defendants, their co-conspirators, and others, and operated offices and
15 retail stores in North Dakota. During the Conspiracy Period, AT&T
16 provided various wireline telecommunications services to businesses and
17 government customers in North Dakota, where AT&T employees used
18 notebook computers and desktop monitors purchased by AT&T. As a
19 result of their presence in North Dakota and the substantial business they
20 conduct in North Dakota, AT&T Mobility and AT&T are entitled to the
21 protection of the laws of North Dakota; and,

22 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
23 has been injured in its business and property by paying more for LCD
24 Products purchased from defendants, their coconspirators and others than
25 it would have paid in the absence of defendants' combination and
26 conspiracy, and is entitled to relief under North Dakota Cent. Code §§ 51-
27 08.1-01 *et seq.*
28

262. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of South Dakota Codified Laws Ann. §§ 37-1 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in South Dakota and fixed, raised, maintained and stabilized LCD Panel prices in South Dakota at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected South Dakota commerce;
- c. AT&T Mobility purchased at its offices and facilities in South Dakota LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in South Dakota. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in South Dakota through its corporate-owned retail stores, through independent retailers located in South Dakota, and through its website on the Internet. AT&T Mobility also provided wireless communication services and sold mobile wireless handsets directly to business, government and other customers in South Dakota through both its own sales force and independent sales agents. In addition, AT&T Mobility maintained in South Dakota inventories of mobile wireless handsets containing LCD Panels manufactured and sold by defendants, their co-conspirators, and others, and operated offices and retail stores in South Dakota. During the Conspiracy Period, AT&T provided various wireline telecommunications services to businesses and government customers in South Dakota, where AT&T employees used notebook computers and desktop monitors purchased by AT&T. As a

result of their presence in South Dakota and the substantial business they conduct in South Dakota, AT&T Mobility and AT&T are entitled to the protection of the laws of South Dakota; and,

- e. As a direct and proximate result of defendants' conduct, AT&T Mobility has been injured in its business and property by paying more for LCD Products purchased from defendants, their coconspirators and others than they would have paid in the absence of defendants' combination and conspiracy, and is entitled to relief under South Dakota Codified Laws Ann. §§ 37-1 *et seq.*

263. By reason of the foregoing, defendants have entered into agreements in restraint of trade in violation of West Virginia §§ 47-18-1 *et seq.*

- a. Defendants' conspiracy restrained, suppressed and/or eliminated competition in the sale of LCD Panels in West Virginia and fixed, raised, maintained and stabilized LCD Panel prices in West Virginia at artificially high, non-competitive levels;
- b. As a result, defendants' conspiracy substantially affected West Virginia commerce;
- c. AT&T Mobility purchased at its offices and facilities in West Virginia LCD Products containing LCD Panels manufactured by defendants and sold at artificially-inflated prices because of defendants' price fixing conspiracy.
- d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a substantial volume of business in West Virginia. AT&T Mobility provided wireless communication services and sold mobile wireless handsets containing LCD Panels to customers in West Virginia through its corporate-owned retail stores, through independent retailers located in West Virginia, and through its website on the Internet. AT&T Mobility also provided wireless communication services and sold mobile wireless

1 handsets directly to business, government and other customers in West
2 Virginia through both its own sales force and independent sales agents. In
3 addition, AT&T Mobility maintained in West Virginia inventories of
4 mobile wireless handsets containing LCD Panels manufactured and sold
5 by defendants, their co-conspirators, and others, and operated offices and
6 retail stores in West Virginia. During the Conspiracy Period, AT&T
7 provided various wireline telecommunications services to residential
8 customers, businesses and government customers in West Virginia, where
9 AT&T employees used notebook computers and desktop monitors
10 purchased by AT&T. As a result of their presence in West Virginia and
11 the substantial business they conduct in West Virginia, AT&T Mobility
12 and AT&T are entitled to the protection of the laws of West Virginia; and,
13 e. As a direct and proximate result of defendants' conduct, AT&T Mobility
14 has been injured in its business and property by paying more for LCD
15 Products purchased from defendants, their coconspirators and others than
16 it would have paid in the absence of defendants' combination and
17 conspiracy, and is entitled to relief under West Virginia §§ 47-18-1 *et seq.*

18 264. By reason of the foregoing, defendants have entered into agreements in restraint
19 of trade in violation of Wisconsin Stat. §§ 133.01 *et seq.*

- 20 a. Defendants' conspiracy restrained, suppressed and/or eliminated
21 competition in the sale of LCD Panels in Wisconsin and fixed, raised,
22 maintained and stabilized LCD Panel prices in Wisconsin at artificially
23 high, non-competitive levels;
- 24 b. As a result, defendants' conspiracy substantially affected Wisconsin
25 commerce;
- 26 c. During the Conspiracy Period, AT&T Mobility, AT&T Services, Inc.,
27 AT&T Operations, Inc., and AT&T Datacomm, Inc. purchased at their
28 offices and facilities in Wisconsin LCD Products containing LCD Panels

1 manufactured by defendants and sold at artificially-inflated prices because
2 of defendants' price fixing conspiracy.

3 d. During the Conspiracy Period, AT&T Mobility and AT&T conducted a
4 substantial volume of business in Wisconsin. AT&T Mobility provided
5 wireless communication services and sold mobile wireless handsets
6 containing LCD Panels to customers in Wisconsin at its corporate-owned
7 retail stores and through its website on the Internet. AT&T Mobility also
8 sold mobile wireless handsets to independent agents and retailers in
9 Wisconsin. AT&T Mobility also provided wireless communication
10 services and sold mobile wireless handsets directly to business,
11 government and other customers in Wisconsin. In addition, AT&T
12 Mobility maintained in Wisconsin inventories of mobile wireless handsets
13 containing LCD Panels manufactured and sold by defendants, their co-
14 conspirators, and others, and operated offices and retail stores in
15 Wisconsin. During the Conspiracy Period, AT&T provided various
16 wireline telecommunications services to businesses and government
17 customers in Wisconsin, where AT&T employees used notebook
18 computers and desktop monitors purchased by AT&T. As a result of their
19 presence in Wisconsin and the substantial business they conduct in
20 Wisconsin, AT&T Mobility and AT&T are entitled to the protection of the
21 laws of Wisconsin; and,

22 e. As a direct and proximate result of defendants' conduct, AT&T Mobility,
23 AT&T Services Inc., AT&T Operations, Inc., and AT&T Datacomm, Inc.
24 have been injured in their business and property by paying more for LCD
25 Products purchased in Wisconsin from defendants, their coconspirators
26 and others than they would have paid in the absence of defendants'
27 combination and conspiracy, and are entitled to relief under Wisconsin
28 Stat. §§ 133.01 *et seq.*

1 **IX. PRAYER FOR RELIEF**

2 WHEREFORE, AT&T Mobility and AT&T request:

3 A. That the unlawful agreement, conduct, contract, conspiracy or
4 combination alleged herein be adjudged and decreed to be:

- 5 i. A restraint of trade or commerce in violation of Section 1 of the
6 Sherman Act, as alleged in the First Claim for Relief; and
7 ii. An unreasonable restraint of trade or commerce in violation of the
8 Cartwright Act, as alleged in the Second Claim for relief; and
9 iii. In the alternative, an unlawful combination, trust, agreement,
10 understanding, concert of action and/or unfair, deceptive or
11 fraudulent trade practice in violation of the state antitrust and
12 unfair competition laws of Arizona, the District of Columbia,
13 Hawaii, Illinois, Iowa, Kansas, Maine, Michigan, Mississippi,
14 Nebraska, Nevada, New Mexico, New York, North Carolina,
15 North Dakota, Puerto Rico, South Dakota, Tennessee, Vermont,
16 West Virginia and Wisconsin, as well as the Unfair Competition
17 Law of California, as alleged in the Third Claim for relief.

18 B. That AT&T Mobility and AT&T recover damages, as provided by federal
19 and state antitrust laws, and that a judgment be entered in favor of AT&T Mobility and AT&T
20 against defendants, jointly and severally, in an amount to be trebled in accordance with such
21 laws;

22 C. That AT&T Mobility and AT&T obtain any penalties, punitive or
23 exemplary damages, and/or full consideration, where the laws of the respective states identified
24 herein so permit;

25 D. That AT&T Mobility and AT&T recover damages and/or all other
26 available monetary and equitable remedies under the state unfair competition laws identified
27 above;
28

1 E. That defendants, their affiliates, successors, transferees, assignees, and the
2 officers, directors, partners, agents, and employees thereof, and all other persons acting or
3 claiming to act on their behalf, be permanently enjoined and restrained from in any manner
4 continuing, maintaining, or renewing the conduct, contract, conspiracy or combination alleged
5 herein, or from entering into any other conspiracy or combination having a similar purpose or
6 effect, and from adopting or following any practice, plan, program, or device having a similar
7 purpose or effect;

8 F. That AT&T Mobility and AT&T be awarded pre- and post-judgment
9 interest, and that such interest be awarded at the highest legal rate from and after the date of
10 service of the initial Complaint in this action;

11 G. That AT&T Mobility and AT&T recover their costs and disbursements of
12 this suit, including reasonable attorneys' fees as provided by law; and,

13 H. That AT&T Mobility and AT&T be awarded such other, further, and
14 different relief as the case may require and the Court may deem just and proper under the
15 circumstances.

X. JURY TRIAL DEMAND

Pursuant to Federal Rules of Civil Procedure Rule 38(b), AT&T Mobility and AT&T demand a trial by jury for all issues so triable.

Dated: July 23, 2010

Respectfully submitted,

/s/ *Jason C. Murray*

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